



**BUILDING
RESILIENCE**



**DRIVING
VALUE**



**SUSTAINING
IMPACT**



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LAFARGE AFRICA IS COMMITTED TO NET ZERO

As the world and human population expands exponentially, we believe that there is an increasing need to build sustainable and affordable cities that meet the needs of the current generation while preserving resources for the future generations. United in our Group's vision to be the global leader in innovative and sustainable building solutions, we play an essential role as we contribute to the global acceleration towards achieving net zero and a more inclusive future.

Our purpose as an organisation is to reinvent the way we build progress for people and the planet, and we at Lafarge Africa have been at the forefront providing environmentally responsible, socially inclusive and economically sustainable solutions.

We have adopted a holistic approach on our journey towards net zero through setting and monitoring country specific targets across all our pillars; investing in and deploying innovative green solutions such as the use of alternative fuels for renewable energy; and conducting stakeholder-centric initiatives such as our Maiganga Wetland project that positively impact the people and the environment, ultimately reducing our carbon footprints.



Our purpose as an organisation is to reinvent the way we build progress for people and the planet, and we at Lafarge Africa have been at the forefront providing environmentally responsible, socially inclusive and economically sustainable solutions.

BUILDING FOR
net zero
PEOPLE & PLANET



Building sustainably today, for tomorrow





Our Sustainability pillars - 2020 Highlights



Climate & Energy

Our total specific CO₂ emissions was 583 kilograms per tonne of cementitious material (kg/ tonnes). This shows good progress and sets a solid base for the Group's ambition. We remain committed to achieving the targets mapped out in our Net Zero RoadMap to achieve 550Kg net CO₂ /tonne of cementitious material by 2022.

Nigeria achieved a thermal substitution rate of about 9.6%



**583KG/
tonnes**

Total specific CO₂ emissions of cementitious material
(2019:555kg/tonnes)



Environment

Our freshwater withdrawal in 2020 was 201L/ton for cement and 228L/M³ for ready mix. Through the installation of water flow meters, we are able to measure our water usage and consumption, withdrawal and discharge rates for optimal management.



201L/ton

Freshwater withdrawal for cement and

228L/M³

for ready mix

(2019: 227L/ton cement and 209L/M³ readymix)



Circular Economy

We utilised 71,029 tons of waste in our operations, a 22% decrease from 2019 at our Ewekoro, Sagamu and Ashaka plants for co-processing. 9% of our energy is derived from waste through alternative sources like waste incinerated ash and used tyres.



**71,029
tonnes**

of waste utilised in our operations

(2019: 105,630 tonnes)



Community

Lafarge Africa came to the fore to support our communities during the COVID-19 pandemic. We disbursed a NGN 500 million fund to help provide relief materials and medical equipment for our communities.

In 2020, we have impacted over 250,000 beneficiaries through our community investment projects.



250,000

beneficiaries impacted

(2019: 115,000 beneficiaries impacted)



Building for People and the Planet



 Governor Lagos State

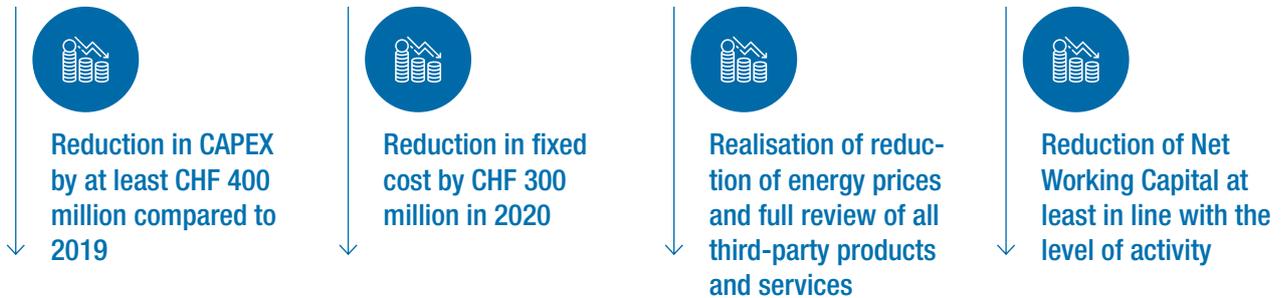
The emergence of the Coronavirus (COVID-19) pandemic in 2020 has caused a massive shift in our world today. The implication of this pandemic on business operations and our community is far reaching, as such we continue to follow safety regulations and enforce the necessary protocols stipulated by the Nigerian Centre for Disease Control (NCDC) and the World Health Organisation (WHO).

Over the last one year, Lafarge Africa Plc. has made concerted efforts creating impact in the face of unprecedented challenges of COVID-19. With Health and Safety being a core value of ours, we have collaborated with some State Governments and other stakeholders within the private sector to tackle the spread of COVID-19 while ensuring the safety of our employees, consumers, suppliers and communities.

As resilient as the construction industry is, the pandemic has caused disruptions in our operations. With the implications and effects of the pandemic cutting across the countries we operate in, Holcim launched the “Health, Cost & Cash” action plan across all countries.

The objective of this plan is to mitigate the financial impact of the pandemic in each country in which we operate.

The key targets outlined in our action plan include:



In line with our commitment to building a healthier world together, we strongly believe we have a significant role to play towards the protection of our people and the planet. We are providing support to our communities through health awareness campaigns as well as general healthcare services to promote their health and well-being. This is reflective in the measures and initiatives implemented within the last one year to help fight COVID-19 across Nigeria.



 Covid-19 donations in Mfamosing





 CEO with Board member

Strict safety measures have been put in place across our offices and plants including remote working, restricted travel, social distancing and promoting hygienic behaviour. With our active roles as board members of the Nigeria Network of the United Nations Global Compact (UNGC), the Private Sector Advisory Group (PSAG), and a member of the United Nations and the European Business Organisation (EBO) Nigeria, we are also supporting other key players and stakeholders in driving efforts at the communal, state and national levels to help fight COVID-19.

In our fight against the COVID-19 pandemic, we have embarked on a sensitisation programme within our host communities to ensure that those at the frontline of the pandemic are able to do the job safely and professionally. Consequently, we have built and equipped health centres across our host communities and operate a modern healthcare facility in Ashakacem, Gombe State which is fully accessible to members of the community. We have also donated equipment and infrastructural support to facilities, such as generators, ambulances and critical personal protective equipment (PPE) to further support the fight against the pandemic. All these efforts have been established in partnership with governments within our host communities.



We will continue to work with the Nigerian Government and its citizenry in the fight against this pandemic while advocating for safe and responsible practices in our operations.

 Employee volunteers with the CPASD Director in Oniru



 Head Sustainable Development & Brand, Lafarge Africa, Titilope Ogun-tuga presenting one of the ambulances donated by Lafarge Africa to support the Government's fight against the spread of Covid-19

Supporting Frameworks



Chairman's Statement



Our esteemed stakeholders,

I am delighted to present to you our 2020 Sustainability Report. Our commitment towards building a more sustainable Nigeria and creating a safer planet remains at the forefront of our business and sustainability agenda. I would like to thank the Lafarge Africa Family for their continued hard work and dedication in ensuring that we remain a resilient business during the year.

The challenges posed by the pandemic have highlighted the importance of a strong and robust environmental, social and governance system into focus for investors, governments and communities alike.

Despite an unprecedented turn of events and a challenging year, Lafarge Africa was able to demonstrate resilience through the successful implementation of several initiatives such as our Health, Cost and Cash action plan. With health and safety being a core value of ours, the action plan has supported us in achieving our economic objectives, while prioritising the health and safety of our people, suppliers and communities as part of our mitigation strategies. As part of our efforts to support the fight against the pandemic, we committed a total of N500 million towards the provision of relief materials for our people, including medical equipment, food items and essential items. We rallied together, shared these relief materials and conducted safety awareness sessions for community members in our host communities to ensure a curb in the spread of the virus. Our swift and decisive actions paved the way for the outstanding performance recorded in 2020, despite the challenges presented by the pandemic.

I am also proud to announce that on the 20th of September 2020, we, Lafarge Africa, won the People's Magazine HR award in "Leadership in Crisis" as a result of our proactive and effective measures that addressed the communication needs of the organisation, employee wellness and business continuity. We also developed a strong working relationship with the World Health Organisation (WHO), Nigerian Centre for Disease Control (NCDC) and the State Ministry of Health to combine efforts towards responding to Nigeria's index case and subsequent fight against the spread of the COVID-19 virus.

We conducted the 7th edition of our Lafarge Africa's National Literacy Competition with the overarching theme "Bridging the Literacy Gap Together" to commemorate our 60th year operating in Nigeria as well as Nigeria's 60th year of Independence. This year, the essay competition themed "Building the Nigeria of our Dreams" included both public primary and secondary school participants and increased the prizes by 300%. With Education being a core CSR pillar of ours, we remain committed to positively impacting future generations and although the competition was held virtually, we saw about 1,600 pupils successfully participate.

Being the global leader in building materials and solutions, we continuously innovate our operating models and strategy through our extensive investments in research and innovation. In order to comply with global standards of dust emission and build a safer planet, we successfully replaced our dust emission control device in our Ewe-koro Plant I, from the Electrostatic Precipitator (ESP) to a more modern and effective system, the "Bag House" dust collection system.

In spite of all the difficulties the year 2020 came with, we were able to adapt and display our dedication towards the health and safety of our people and communities, whilst still delivering on our commitment to quality through our products and services.

Once again, I would like to thank our employees for showing tremendous resilience and resolve in supporting our efforts as we partner with governments, industry associations and other stakeholders.

My hope is that this report highlights our efforts and commitments towards building a more resilient planet and creating long lasting value for you, our stakeholders.

Thank you

Mr. Adebode Adefioye
Chairman



Chief Executive Officer's Statement



"Our journey has been one of resilience, integrity and sustainability, as we strive to meet the needs of our customers, while adapting to the changing economic situations and the growing demand for sustainable practices in the construction industry"

It has been 60 years since we began our operations in Nigeria, 60 years of building a high performing organisation, with one team moving in the same direction. As Nigeria's leading building solutions provider, we have continuously transformed and improved our products and services, market reach, achievements and value-add to our stakeholders. Our journey has been one of resilience, integrity and sustainability, as we strive to meet the needs of our customers, while adapting to the changing economic situations and the growing demand for sustainable practices in the construction industry.

At Lafarge Africa, we continue to invest in research and the adoption of innovative measures in order to create long lasting solutions and products that meet the growing needs of the people whilst reducing negative impact on the environment. As such, with the replacement of our Electrostatic Precipitator (ESP) with the new "Bag House" system at our Ewekoro Plant 1, we can reduce our dust emissions considerably.

Although the year started off as a celebratory year for us, the wake of the COVID-19 pandemic abruptly upended every aspect of our lives and disrupted the way in which we do business. As an organisation with an overarching value of Health and Safety, the pandemic did not take us unawares, we were prepared and immediately kicked off our Business Resilience Plan including our Health, Cost & Cash action plan, which was launched by our parent company, Holcim. The plan was aimed at mitigating the social and economic impact of the pandemic across all the countries where we operate. The key targets of the plan were a reduction in CAPEX by at least CHF 400 million in comparison to 2019; reduction in fixed cost by CHF 300million in 2020; reduction of energy prices and full review of all third-party products and services, and a reduction of Net Working Capital at least in line with the level of activity. We also accelerated the Business Resilience Team and immediately initiated daily meetings to agree on our response to the growing pandemic. With these in place, we were able to prioritise our people and operations and close out the year with a remarkable performance.

In line with our commitment to improve the health and safety of our employees and stakeholders, we worked closely with our communities to promote their health and wellbeing during the challenging times the pandemic brought. Our Business Resilience Team set up before the pandemic made the transition easier and it showed our preparedness as a business. We improved the health and safety measures across our offices and plants and conducted awareness programmes within our host communities to ensure those working during the pandemic were able to do so safely and professionally. We activated our Business Continuity Plan and started off with a "lean" operation at our offices and plants as most staff began working remotely and those in the plants worked in shifts. As our employees are our most valued assets, we strived to promote their wellbeing as they adapted to this new way of working. With frequent engagement and updates through our "Virtual Hangout with the CCEO", we were always able to have transparent and honest communication with our employees and keep them abreast of developments. We also conducted several virtual COVID-19 awareness sessions and established a counselling helpline manned by professional therapists to support employees in need of mental health and wellbeing support.

In 2020, we recorded some achievements in our Geocycle function. The team worked tirelessly in finding new materials that can be used as sources of power for our kilns, after extensive research, numerous conversations and finally, regulatory approval from the Department of Petroleum Resources, we forged an alliance with one of the major oil & gas companies to manage its waste incinerated ash from their oil fields in a sustainable manner. This partnership will guarantee a long-term availability of renewable materials in accordance with our circular economy model. We also commissioned a new waste treatment and co-processing facility at Ewekoro which will further contribute towards our resource and overall operational efficiency and cost effectiveness. Our 2020 performance has shown the tenacity of our Board, Management and employees in achieving our overall goal of creating value for our stakeholders.

As we look to the future, I would like to recognise the efforts of all our employees and partners who rose to the challenge of navigating through this peculiar year and contributed to our successes in building a more resilient nation, driving long lasting value for our stakeholders and sustaining positive impact in our communities. While we adapt to this "new norm", we will continue to work with Nigeria to fight this pandemic and advocate for safe and responsible practices within our operations throughout the county.

Thank you

Mr. Khaled el-Dokani



Leadership Team's Commitment to Sustainability



As a responsible and ethical company, we prioritise societal economic growth in the host communities in which we operate. We continue to play an integral role in accelerating sustainable solutions to the world's biggest challenges and aid sustainable development to deliver a more resilient, stronger and equitable post pandemic community.

Chief Executive Officer - Khaled El Dolkani



The COVID-19 pandemic has brought about global economic disruptions, however we at Lafarge Africa have been resilient. We have proactively implemented initiatives that ensure we continue to create job opportunities for our stakeholders and positively contribute to Nigeria's economic development.

Chief Financial Officer - Lolu Akinyemi



We have continued to deploy innovative digital solutions to support our customers across the value chain for smarter and easier ways of doing business during the Covid-19 pandemic and we have remained committed to the development of more sustainable and cost effective building solutions for our various end users across the Built Industry

Commercial Director - Gbenga Onimowo



The pandemic has impacted global supply chain which has resulted in a shift in the consumption and investment patterns of the consumers towards greener and more sustainable options. Evidently, achieving sustainable development and economic recovery will require an accelerated shift in sustainable manufacturing leveraging technological breakthroughs.

Industrial Director - Olusegun Shoyoye



At Lafarge, we prioritise our people as we believe they are our greatest assets. Through effective communication and engagement at all levels, we established a strong and lasting relationship which served as a fundamental pillar of our resilience during the pandemic. We will continuously seek out new opportunities to empower and develop our people through fair, equal and transparent processes.

Organisation and Human Resources Director - Gbemiga Owolabi



Over the years, Lafarge has made significant strides as leaders in the sustainable construction space. This is testament to our high Environmental, Social and Governance standards compliance levels and commitment to creating a net positive contribution to people, planet and the Nigerian economy. Leveraging our strategic partnerships, we aim to boost sustainability & innovation by continuously rethinking and reforming our businesses strategy to create shared value for our stakeholders.

Communications, Public Affairs and Sustainable Development Director - Folashade Ambrose-Medebem



The disruptions from the pandemic have paved new methods of reshaping our supply chains through the reduction of business costs and natural resources consumption, thus de-risking our supply chain and use of smarter supplier screening processes, onboarding solutions and utilization of supply chain solution that drives improvement in environmental performance as well as reduction in carbon emission

Procurement Director - Saeed Aude



As climate change continues to capture global attention, cement remains one of the most used manufactured material on the planet. Collective action is required for cement manufacturers to decrease the carbon intensity of our operations through energy efficiency, use of alternative fuels and reduction in clinker factor.

Managing Director, Ashaka - Ibrahim Aminu



At Lafarge Africa, compliance with relevant laws and guidelines that conform to sustainability metrics are fast becoming a priority. Ethical principles and corporate values remain instrumental as we continue to foster sustainable development

Company Secretary/ General Counsel - Adewunmi Alode



Investments in resource and energy efficiency of our production processes are a priority for Lafarge, boosting sustainable development would require shared efforts into addressing the barriers of sustainable production and consumption such as limited green supply chain options and infrastructure.

Head, Mortar - Jumoke Adegunle



Our consumption and production practices are consistent with our Sustainability Commitments. The adoption of innovative carbon reduction technologies has been an integral part of developing a more resilient post pandemic business environment. As such, we shall continue to prioritize and modify our production processes to reduce our carbon footprint, drive the optimization of raw material usage (- produce more with less) and promote energy efficiency.

Head, Aggregates and Concrete - Bestow Akeze



Ensuring business continuity has been a key requirement in modifying our business landscape to effectively function in a post pandemic landscape. As such, Lafarge remains highly committed to protecting and promoting the fundamental human rights of our people in line with the United Nations 2030 Agenda for Sustainable Development Agenda on human rights.

Country Security Manager - Helmut Korak



The pandemic has put health and safety concerns and requirements under the spotlight in an unprecedented manner. As we respond to and recover from the effects of the pandemic, greater emphasis and continual improvement must be placed on health and safety in the workplace and the community through continuous awareness creation and compliance.

Head, Safety, Health and Environment - Folake Odegbami



Despite the negative impact of the pandemic, it provided an opportunity for Lafarge to explore the use of a new waste material as an alternative fuel. Through great investments in innovation and partnership, we have piloted a programme to convert incinerated waste ash from oil fields into recyclable waste for our Geocycle function, which we hope to expand. Ultimately, Lafarge will continue to prioritise circular economy and innovation to boost sustainable development.

Head, Geocycle - Daniel Adedokun



Building Better Places for People





"Our efforts towards creating shared value for our society and environment are in line with the triple bottom line of people, profit and planet."



Corporate Portrait & Management

Lafarge Africa Plc. is a member of Holcim – the leading global construction materials and solutions company in the world. We are a publicly quoted company on the Premium Board of The Nigerian Stock Exchange (NSE) and serve the Nigerian market with a wide range of building and construction solutions specially designed to meet local housing and construction needs; ranging from small individual building projects to major commercial construction and infrastructure projects.

We pride ourselves in being a responsible organisation, with our sustainability initiatives being driven by our Communications, Public Affairs and Sustainable Development (CPASD) Department.

Our efforts towards creating shared value for our society and environment is in line with the triple bottom line of people, profit and planet. We are guided by the principles of transparency and accountability in creating shared value for all our stakeholders as evident in our disclosures within our sustainability reports. Lafarge Africa Plc. will continue to pursue excellence and initiative in all that we do as we create sustainable value for our employees, customers, suppliers, shareholders, Sub-contractors, investors, and the host communities in which we operate.

Supporting Frameworks

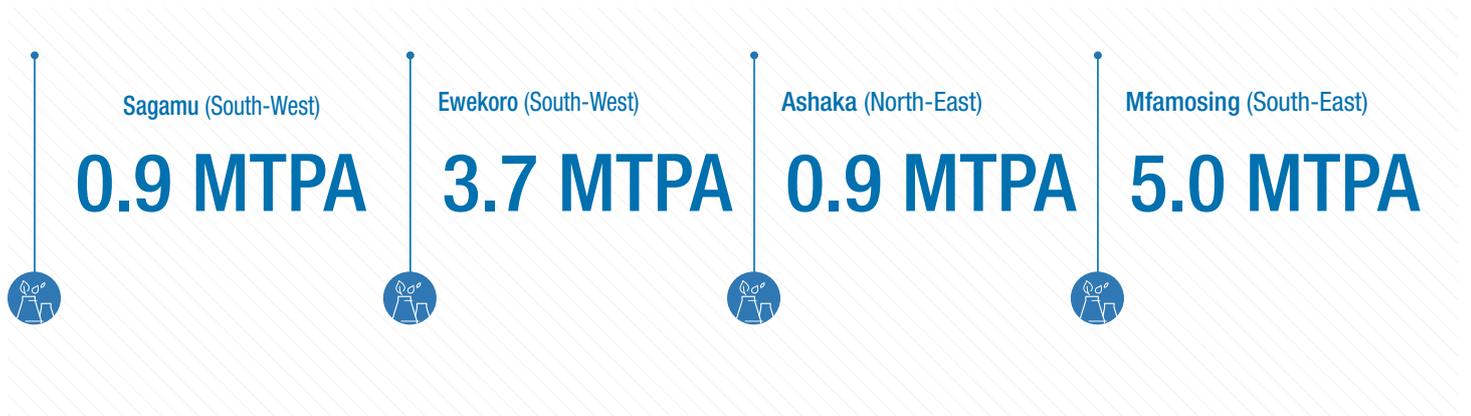
GRI 102-1; 102-2; 102-3; 102-4; 102-5; 102-6; 102-7;

Our Core Values

Our aim is to serve our customers' construction needs in an ethical and responsible manner. Aligned with our Group's principles and strategy towards incorporating sustainability in all our operations, we are guided by our core values which serve as a framework for how we engage with our employees, customers, host communities and other stakeholders in achieving our objectives.



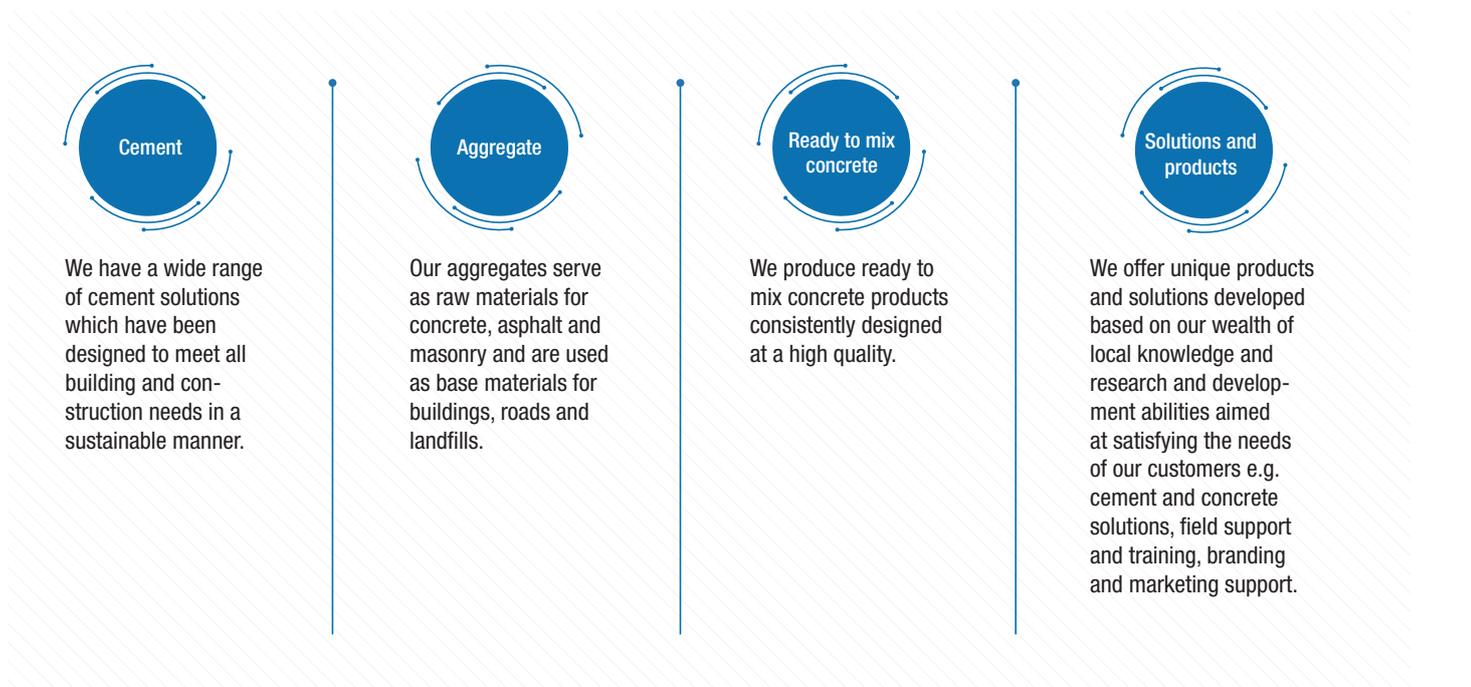
Lafarge Africa Plc. has four (4) plants in Nigeria with a combined installed cement production capacity of **10.5 MTPA**, spread across the country:



Our Business

Through research and innovation, we have created a viable business which has placed us amongst the leaders in sustainable building materials and solutions.

Our business is comprised of four segments, each used in construction projects of various complexities, ranging from small individual building projects to major commercial construction and infrastructure projects.



Supporting Frameworks
GRI: 102-16



Our Product Portfolio and Services

Our products and services are geared towards providing our customers with quality construction solutions focused on meeting their specific needs in a socially and environmentally responsible way. Having played a significant role in the industry, we are committed to generating value for the Nigerian market through our innovative and resilient products and solutions, ultimately building better houses and infrastructure for people and businesses.

Our brand is a household name, known for high standard and quality products and solutions that exhibits superior workability which makes it suitable for both general purpose and structural works. Through continuous investments in research and development and use of the best technology, Lafarge Africa has been able to position as the leader in innovation within the construction materials industry.



Our product portfolio includes:

Elephant Cement

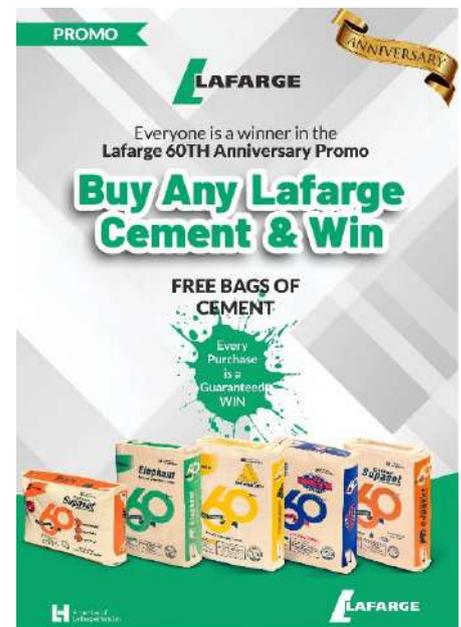


a general-purpose cement suitable for majority of domestic and site projects.

Elephant Supaset



a fast-setting and rapid strength gaining cement specifically designed for the needs of the block-makers



Supafix



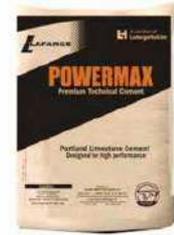
a cementitious tile adhesive made of grey cement, calcareous aggregates, organic and inorganic additives. It is used for placing ceramic tiles, flooring applications and indoor coating solutions or construction sites

RoadCem



a specialised cementitious binder that was designed to meet the needs of a wide range of road stabilisation applications

Powermax



a high strength cement for the sophisticated contractor segment

Etex

a high-performance cement designed to specification for the manufacturing of roof tiles and

SRC

a sulphate resistant cement for coastal construction.

Readymix

our readymix concrete products are of consistent high-quality using cement mixed with aggregates and admixtures, produced in line with the EN 206-1:2013 concrete standards

Our Services

Lafarge Africa's go-to-market model ensures that our products are delivered directly to our customers and distributors, helping us build stronger relationships with our retailers and create partnerships which have been critical in our success as a business. To support our customers in the use and application of our cement products and concrete solutions, we provide our customers with advisory services such as:

- Concrete mix designs optimisation;
- Comprehensive technical support;
- Materials and concrete testing;
- Development of site concrete quality management system



Building for Growth – Our Contribution to the Economy

This year's result is a testament to the rigour of our business model. At Lafarge Africa Plc., we continue to create value for our communities and for our stakeholders in everything that we do. Our principle of Shared Economic Value define our investments in innovation and development which translates into sustainable contribution to the construction of cities. By accelerating housing development and making habitats more durable, beautiful and better, we shall maintain our position as a future-fit economic development partner for Nigeria.

Despite the operational and economic challenges brought about by the Covid 19 pandemic, we have weathered the storm by setting realistic targets towards achieving the objectives of our 2022 Group Strategy across all defined value drivers. Our focus in "Building for Growth" was anchored on Simplification & Performance; Financial Strength; Vision & People..

Management has indeed displayed tremendous resilience in successfully harnessing, motivating and steering the Lafarge Team towards implementing the company's Health, Cash and Cost action plan. This ensured effective management of the impacts of a challenging operating environment leading to the progress we have made. In this regard, we have recorded a sales revenue growth of 8.3% to NGN230.6 billion and an improved Earnings before Interest and Tax (EBIT) by 30.8% to NGN 45.7 billion.

Lafarge Africa was able to achieve impressive these results by effectively implementing our production cost optimisation and improved operational efficiency as outlined in our action plan. Sustainability is a key element of our Group's 2022 Strategy. We remain committed to its recommendations of maintaining the highest standards in global best practice.

Our four Value Drivers

Value created in 2020

NGN
230.6 billion

9.6%

71,029 tons

NGN
500,000,000

Growth



Simplification and Performance



Financial Strength



Vision and People



Despite the tumultuous year 2020 was, we contributed to growth through innovation and dedication to the construction industry. Our net sales figure for the year was NGN 230.6 billion

In 2020, Nigeria's Thermal Substitution Rate remains strong at 9.6% through the use of biomass in our clinker production process.

Over NGN 500,000,000 was saved on fuel costs as a result of our Geocycle function using a total of 71,029 tons of materials as an alternative fuel in our kilns

In line with our commitment to the health and safety of our people and the planet, we contributed a total amount of NGN 500,000,000 towards the health and safety of our communities during the pandemic.



2022 Target (%)

3 to 5

Net sales growth

>5

Recurring EBITDA growth

>40

Free Cash Flow to Recurring EBITDA

Group 2020 Performance (%)

1.5%

Net sales growth

14.1%

Recurring EBITDA growth

35%

Free Cash Flow to Recurring EBITDA

Lafarge Africa Plc.'s 2020 Performance (%)

8.3%

Net sales growth

16%

Recurring EBITDA growth

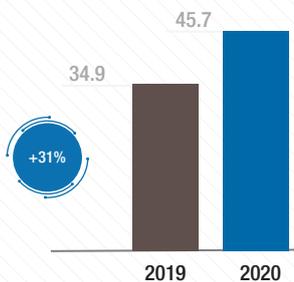
64%

Free Cash Flow to Recurring EBITDA

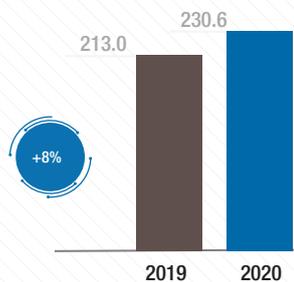
Our 2020 Financial Highlight

All figures in N billions
¹Continuing Operations

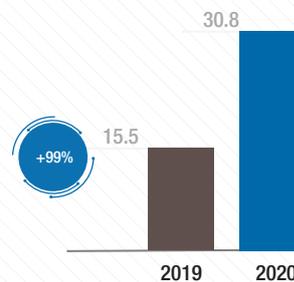
Operating Profit
(NGN billions)



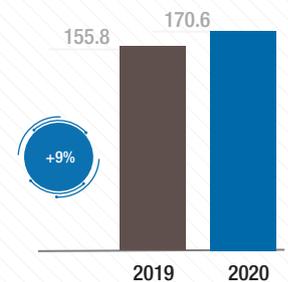
Revenue
(NGN billions)



Profit After Taxes¹
(NGN billions)



Retained Earnings
(NGN billions)



	2018	2019	2020
	NGN (million)	NGN (million)	NGN (million)
Direct Economic Value Generated	219,195	215,351	232,724
Revenue from operations	217,813	212,999	230,572
Other Income	1,382	2,352	2,152
Economic Value Distributed	211,098	199,833	173,355
Operating Costs	164,614	163,842	149,637
Employee wages & benefits	16,053	16,598	13,533
Payment to provider of funds	40,038	17,019	7,859
Payment to Government	(9,607)	2,374	2,327
Economic value retained	8,097	15,518	59,369



 Our employees



Our Responsibility and Governance

We pride ourselves as an organisation that acts and operates in an ethical and responsible manner, taking into consideration the rights and interests of all our stakeholders. We apply the highest standards of corporate governance, which are aligned with our values and ethos as a business and it is cascaded from our leadership.

Lafarge Africa Plc ensures sustained long-term value for the success of the company and in the interests of all stakeholders, from our customers, to employees and communities in which we operate. Our organisation is guided by a robust system of corporate governance in accordance with the Nigerian Code of Corporate Governance 2018, the Securities and Exchange Commission (SEC) Corporate Governance guidelines and relevant international best practices on corporate governance.

It is our responsibility to ensure that our operations comply with all the relevant corporate governance principles and that our activities and that of our partners do not infringe on human rights. As such, we respond to our stakeholders' needs through activities such as:

- Continuous monitoring of Board's performance and efficiency;
- Regular transparent dialogue with stakeholders on responsibilities, management processes and organisation;
- Precise decision making in relation to policy principles;
- Fortifying our commitments to our core values.

Our Code of Business Conduct

Our Code of Business Conduct is adopted from the Holcim Group's code of conduct and it reinforces our desire to conduct our business with integrity and respect for our local laws. It expressly states our non-tolerance for violations of applicable laws and anti-corruption regulations, as well as the strict action against violators.

Our Code of Business Conduct ensures that all our directors, officers and employees share in Holcim's commitment to conducting our business with integrity. It provides guidance on:



- how to act with integrity in the workplace, through promoting diversity and fairness and asset protection;
- how to act with integrity in our business practices by committing to zero tolerance on bribery and corruption, fair competition and accurate reporting; and
- how to act with integrity within our community by protecting the environment, respecting human rights and engaging communities.

These are also communicated to our suppliers through our Suppliers' Code of Conduct, which stipulates our commitments to our suppliers and the values and principles which are expected of our suppliers and other third-party contractors. Some of the principles our suppliers are expected to demonstrate in accordance with areas of human rights, labour related issues, the environment and anti-bribery and corruption are:



- Health & safety and security of their employees and contractors;
- Good working conditions;
- Freedom of association;
- Non-discrimination;
- Forced & child labour;
- Environmental impacts;
- Bribery and corruption;
- Competition laws.



Whistleblowing

We are committed to excellence in integrity and in accordance with our Code of Business Conduct, we have our Global Integrity Platform, which is our designated whistleblowing line. This serves as a medium through which our employees and stakeholders can make confidential reports on breaches of our Code of Business Conduct. These reports are then logged and investigated by our Internal Control & Investigation Team which is composed of certified fraud examiners.

Anti-Bribery and Corruption

In line with our zero tolerance for bribery and corruption, we have adopted an Anti-Bribery and Corruption Statement which is widely communicated to all our stakeholders.

Lafarge Africa Plc. is committed to:

- Conducting our business dealings and relationships in an ethical manner and with the highest level of integrity, in accordance with the Group's Anti-Bribery and Corruption policies
- Complying with relevant Anti-Bribery and Corruption laws such as Corrupt Practices and other Related Offences Act of 2000 and the UK Bribery Act of 2010 regardless of the business environment we operate in
- Implementing and enforcing effective systems to counter the risks of bribery and corrupt practices in the form of gifts and entertainment, reciprocal agreements, favours, discounts, travel, education, donations and other forms of improper benefits for which the Company could be held liable
- Prohibiting the Company as well as third parties acting on its behalf from engaging in fraudulent acts, corrupt practices and all forms of bribery, gratification, attempting to obtain gratification, facilitation payments, and improper payments or benefits to public officials, their family members and other individuals

All four (4) of our cement plants and six (6) Readymix plants, including our Geocycle operations have been assessed for risks related to corruption and the results showed that there is risk that the company could violate the anti-bribery & corruption (ABC), anti-money laundering (AML) and/or sanctions/counter terrorism financing laws if it fails to proactively institute preventive measures or controls to mitigate such violation. As such, we have controls in place, to forestall bribery and corruption by our suppliers, customers, lawyers, etc.

Diversity and Inclusion

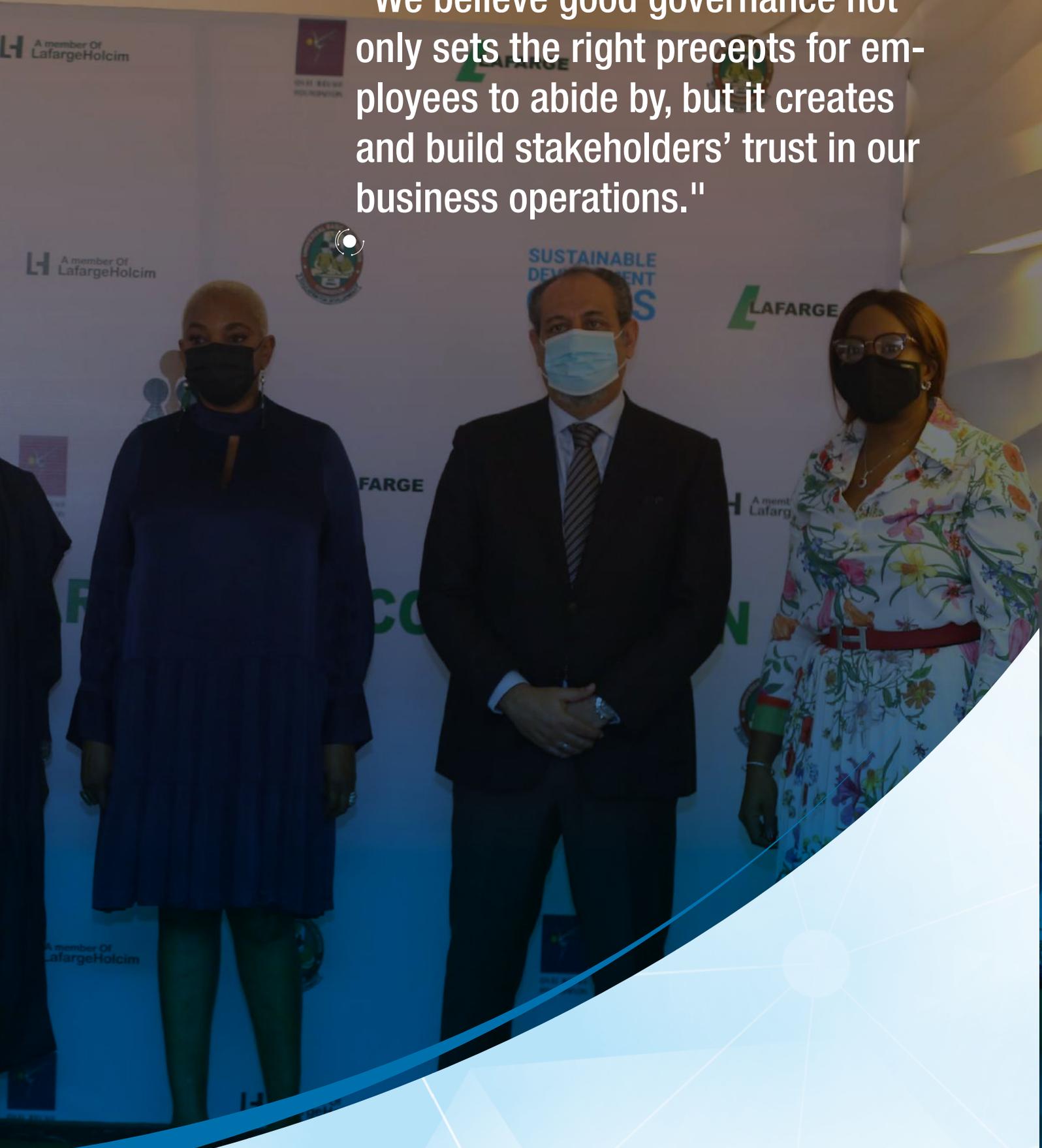
At Lafarge Africa Plc., we are aware of the individual differences and perspectives of all our employees as a result of their diverse backgrounds and experiences. We are continuously striving to make our organisation one that embraces a diverse and inclusive work environment where all our employees feel valued and recognised.



Building a Sustainable Culture



"We believe good governance not only sets the right precepts for employees to abide by, but it creates and build stakeholders' trust in our business operations."



From the Sustainability Desk



Titilope Oguntuga

Head, Sustainable Development and Brand Communications, Public Affairs and Sustainable Development

The global response to the pandemic in 2020 gave rise to renewed ambitions towards Environment, Social and Governance. With a commitment to ‘build back better’ in unprecedented times and beyond, we continued to stay resilient in the face of new realities.

As a business, we were focused on further entrenching sustainability at our core while contributing positively to ameliorating the impact of the pandemic on our communities and stakeholders. Accordingly, we continued to pursue our targets, implementing planned and new initiatives while striving for excellence in our sustainability journey. Deploying eco-friendly and energy efficient solutions, our investments are showing measurable returns which has a direct positive impact on net zero ambitions. We launched impact assessment programmes and leveraged strategic stakeholder engagement driven by inclusion in our drive to build for people and the planet.

As we progress in our endeavours, we understand the impact of being a catalyst for positive impact within and outside our value chain. We are better poised to deliver more remarkable impact in this decade of action leveraging our expertise, resources, investments and the full compliments of the support from Executive Leadership.

Project Team

Name	Department
Adeyemi Ariyo	SHE (Health & Safety)
Adedeji Esan	Power & Energy (Industrial)
Agnes Keke	Communication, Public Affairs & Sustainable Development
Anuoluwapo Gbadegesin	Legal and Compliance
Chinedu Richard	Finance
Funke Madojutimi	SHE (Environment)
Greg Salami	Geocycle
Ismail Salami	Marketing
Itune Brown John-Eze	Marketing
Oluyemi Bakare	Communication, Public Affairs & Sustainable Development
Omowunmi Ajilore	Procurement
Osaze Aghatise	Logistics
Sola Akinboboye	Security
Ugochi Bede- Nwokoye	Organisation & Human Resources



Material Priority - Sustainability Strategy

Our commitment towards achieving sustainable development in Nigeria is fuelled through our vision of “Building a Stronger Nigeria”. As a business, our main objective and focus is creating shared value within our society as we interact with our host communities, employees, suppliers and customers alike.

As one of our core values, sustainability is entwined into the fabric of our organisation and business. We are guided by our global strategy focusing on five core pillars;

- Creating shared value with society;
- Create an attractive environment for our people;
- Engage our resources for best returns and cash generation;
- Serve the building needs of individuals and retail customers;
- Achieve operational excellence through continuous improvement.

At Lafarge, we believe in the principles of sustainable development and responsibility to all our stakeholders and the society at large. We continue to strive towards turning this belief into visible action by investing in different initiatives showing our commitment to the current and future generations.

Being a member of Holcim, we uphold the tenets of sustainable development and our Group’s strategy under the 2030 Ambitions which focuses on four key pillars: Climate & Energy, Circular Economy, Environment and Community.

Our sustainability strategy is aimed at protecting the climate throughout the entire construction value chain; developing innovative products and solutions for building energy efficiency; promoting a business model that preserves and optimises natural resources, while furthering the development of our host communities.

We believe good governance not only sets the right precepts for employees to abide by, but it creates and build stakeholders’ trust in our business operations. It is essential that we operate in a way that respects the rights of people, while minimising the negative social and environmental impacts that may arise from our footprints.

Our Board of Directors perform oversight responsibilities of corporate governance compliance and sustainability through regular monitoring and evaluation of management reports presented to the Risk Management & Ethics Committee and the full Board.



• Our Board of Directors



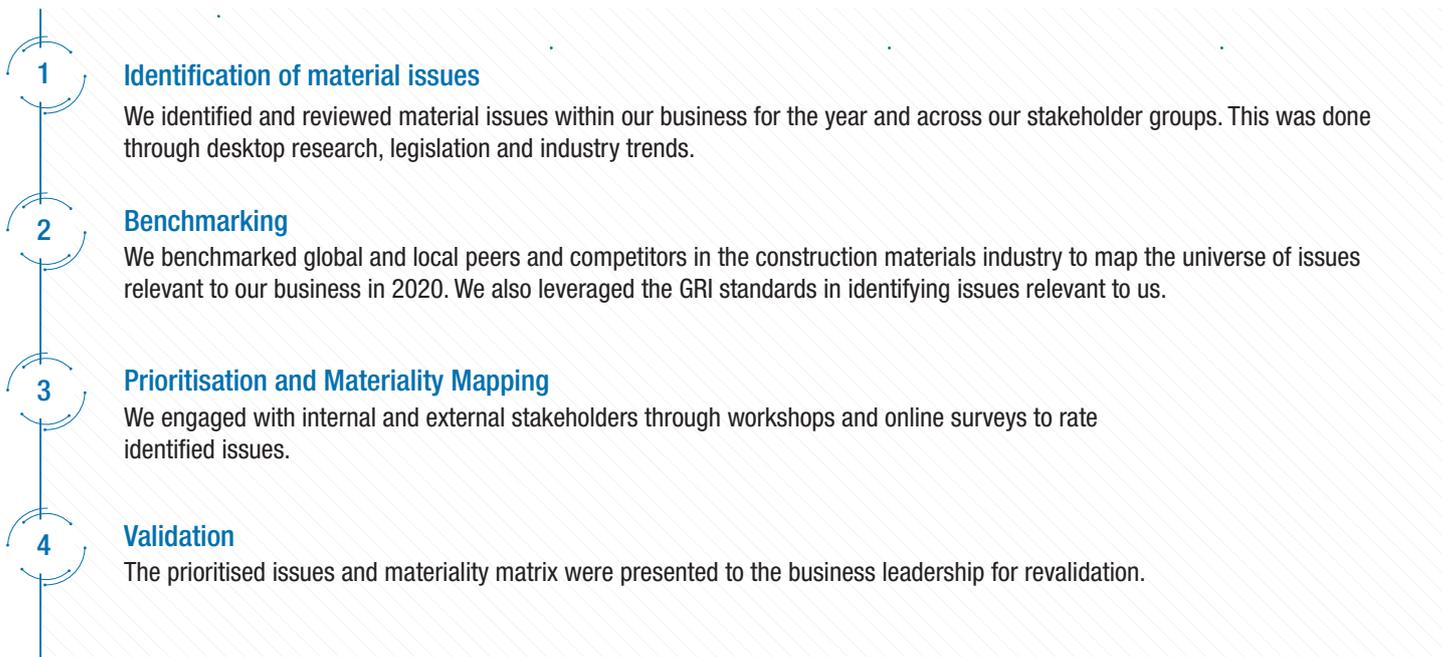
Materiality Analysis in 2020

At Lafarge Africa, we recognise the importance and role of our different stakeholder groups to the success of our business, as such it is imperative to stimulate continuous engagement while identifying the issues that may pose a risk or opportunity for our business. According to the Global Reporting Initiative (GRI), “In sustainability reporting, materiality is the principle that determines which relevant topics are sufficiently important that it is essential to report on them. Not all material topics are of equal importance, and the emphasis within a report is expected to reflect their relative priority.”

In developing the 2020 sustainability report, we conducted our materiality assessment in line with GRI Standards requirements (inspite of the ensuing ramifications of the Covid-19 pandemic) in order to identify and prioritise the interests and expectations of our internal and external stakeholders, including employees, suppliers, local communities, etc., across the economic, environmental, social and governance pillars. These topics were benchmarked against our previously validated material topics, industry requirements, key organisational values, policies, strategies, goals and targets to identify what mattered most to us.

Materiality Methodology

Our approach in conducting the materiality assessment considered the input of both our internal and external stakeholders on topics deemed most relevant and impactful to them. This followed a four-step process, as detailed below:



Overall, the results of the materiality assessment have shown Lafarge Africa’s drive towards fostering partnerships, innovation and growth in the construction materials industry. The topics shown on the materiality matrix are the ratified material topics for 2020 Sustainability report based on the following criteria:

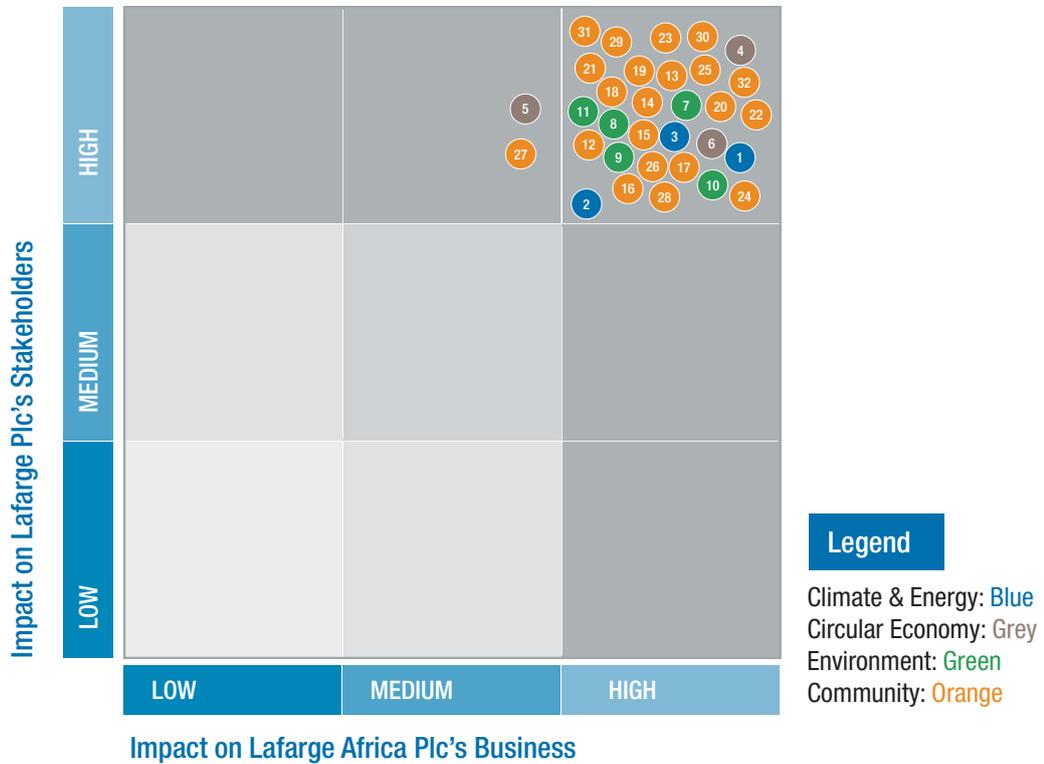
- Importance to Lafarge Africa across internal stakeholder categories;
- Importance to Lafarge Africa’s external stakeholders

It shows that the most pressing issues faced by the business and our stakeholders in 2020 As follows; business resilience, business ethics and health and safety, were brought to fore in light of the disruptions caused by COVID-19.



Our Materiality Matrix

Our materiality matrix reflect the environmental, economic and social topics that are most important to our business and stakeholders. We are mindful of our material priorities and we will continue to develop effective frameworks to manage our risks.



Materiality key

1	CO ₂ emissions	17	Economic value
2	Climate change risks	18	Quality products and services
3	Energy consumption & efficiency	19	Community engagement
4	Resource efficiency	20	Employee wellness and development
5	Packaging	21	Social investments
6	Job creation through poverty alleviation	22	Diversity and equality
7	Biodiversity and quarry rehabilitation	23	Youth empowerment
8	Dust emissions	24	Sustainable procurement
9	Effluents and waste	25	Stakeholder engagement
10	Water contamination	26	Employee engagement
11	Environmental compliance	27	Training and education
12	Anti-Bribery and corruption	28	Employee labour relations
13	Business ethics	29	Sustainable supply chain
14	Business resilience	30	Cyber threat and data protection
15	Reputation	31	Foreign exchange factors
16	Health and safety	32	Pricing integrity and antitrust compliance



Stakeholder Management at Lafarge Africa Plc.

Our stakeholders are at the heart of our operations, and we remain committed towards building a trusting relationship with them. Engaging with our stakeholders is essential to maximising the positive impacts we create from our business operations. By identifying what is critical to our stakeholders, we are better positioned to understand their key interests, manage our risks and opportunities and set clear expectations on how to deliver long term value.

As a business with large footprints across the country, our stakeholders are not just limited to our employees and shareholders but also our host communities, suppliers, State and Federal governments, regulators, etc. Our policies and directives include provisions for engagements with our various stakeholders, as well as developing an avenue for transparent feedback, interactions and inputs from diverse stakeholders.



 Lafarge Africa at the Nigerian Stock Exchange



 Visits with the Lagos State (Top) and Ogun State (Bottom) Governors

Our Board and Executive Management ensure the timely dissemination of information to various stakeholder groups for effectiveness using various platforms. Our Stakeholder Management Strategy provides a guide on how relationships should be managed to ensure that it is fit for purpose enabling a two-way communication approach.

By leveraging technology, we maintained active engagement with our stakeholders while following strict hygiene and safety protocols in the event of physical interactions. Our union engagement sessions for the year were split between virtual and physical to minimise social interactions while ensuring observance of all safety protocols.

We have over the years promoted an effective and strategic interaction with our stakeholders through open dialogue and other tailored engagement activities. This has further strengthened accountability and transparency as well as drive change while remaining future-proofed. We engaged our communities mainly through our Community Relations Committee (CRC), who assist in identifying and prioritising issues that need to be addressed within the communities. Thirty-eight (38) community relations committee meetings were held in 2020 leading to an achievement of over 90% resolution of community related issues. ^(A) This remains a top priority for us as it creates the foundation for us to serve our people better while ultimately providing ground-breaking solutions that supports value creation.



The table below highlights our varied stakeholder groups, their level of influence in our business, the method in which we engage them and the frequency of engagements.

Stakeholder	Level of Influence	Engagement Method	Frequency
 Government	High	Letters & emails	As required
		Courtesy visits	
		Formal meetings	
		Government functions	Frequently; as required
 Board of Directors/ Shareholders	High	Annual General Meeting	Annually
		Annual reports	Annually
		Shareholder fora	As required
		Website	Frequently
 Suppliers/ Contractors	High	Satisfaction Survey	Biennially
		Annual meeting	Annually
		Emails	Frequently; as required
 Customers/ End users	High	Meetings	Frequently; as required
		Market activations	Quarterly
		Conferences	Annually
		Customer satisfaction surveys	Frequently
 Employees	High	Team meetings	Weekly
		Town hall meetings	Quarterly
		Newsletters	Weekly
		Focus group discussions	Monthly
 Communities	High	Monthly meetings	Monthly
		Ad hoc meetings	As required
		Courtesy visits	As required
		Community days	Annually
 Competition	High	Industry engagements	As required



<p>Trade Associations</p> <p>(NIOB: Nigeria Institute of builders, NIA: Nigeria institute of Architects,</p> <p>NSE: Nigeria Society of Engineers,</p> <p>COREN: Council for the Regulation of Engineering in Nigeria,</p> <p>NACCIMA: National Association of Chambers of Commerce. Industry, Mines & Agriculture)</p> 	<p>Medium</p>	<p>Committee meetings</p>	<p>Quarterly</p>
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Supporting Frameworks



GRI: 102-21; 102-43;
NSE: Principle 4, 6, 7, 8, 9



Spotlight: Lafarge Africa Plc. Sustainability Series

Sustainability is at the core of our strategy. In 2020 we entered a new era in Sustainability at Holcim with our Net Zero Pledge for 2030 Climate target. At Lafarge Africa Plc. we initiated top leadership discussions with the goal to advance the SDG's in a post Pandemic Era.

The Decade of Action- Advancing the SDGs in a Post Pandemic Era

The United Nations declared 2020-2030 “The Decade of Action”, calling for all sectors to mobilise accelerated implementation of sustainable solutions to the world’s most pressing challenges such as poverty, climate change, gender, inequality and closing the finance gap. It requires that all sectors collaborate and act on three different levels:

- global action to secure greater leadership, more resources and smarter solutions for the Sustainable Development Goals;
- local action embedding the needed transitions in the policies, budgets, institutions and regulatory frameworks of governments, cities and local authorities;
- and people action, including the youth, civil societies, the media, the private sector, unions, academia and other stakeholders.

The COVID-19 pandemic showed how what was considered a health crisis became a global human and socio-economic challenge, making the achievement of the SDGs even more urgent and necessary. Lafarge Africa Plc., being aligned to 14 of the 17 sustainable development goals and committed to its achievement in Nigeria, organised a four (4) week Sustainability Webinar Series with critical stakeholders to share insights and best practices on sustainability and CSR. We leveraged our partnership with the United Nations Global Compact, Nigeria Network (GCNN) to steer discussions for strengthened participation of the private and public sectors.





The Sustainability Webinar Series was themed: **A Decade for Action - Advancing the SDGs in a Post Pandemic Era**, and was aimed at highlighting policies, initiatives, interventions, partnerships and opportunities with an overall objective to leverage all resources to ensure that Nigeria is deliberate about the achievements of the global goals within the next 10 years. The webinars were held within four (4) consecutive Wednesdays from August to September: August 19th, 26th and September 2nd and 9th, 2020.

The sessions were hosted by our CEO, Khaled El Dokani, with our Director of Communications, Public Affairs and Sustainable Development, Folashade Ambrose-Medebem moderating the first session. The webinar series had in participation thought leaders from all walks of life in the private, public and third sectors sourced both locally and internationally. The webinar series themes, aimed at accelerating the achievement of the SDGs in Nigeria, were;

- Economic and Social Governance (ESG): A Transformative Approach to Accelerating the SDGs;
- Co-Creating Value through Best Practices in Private Public Partnership & Impact Assessment;
- Corporate Social Investments, Shared Value and National Development;
- Roadmaps to Progressing the SDGs: Opportunities in Circular Economy and STEM.

In attendance were key sustainability figures such as: the Senior Special Assistant to the President on SDGs, Princess Adejoke Orelope-Adefulire; Bola Adesola, United Nations Global Compact (UNGC) Vice Chair; HrH Sanusi Lamido Sanusi; Mr Andrew Venter of the Cambridge Institute of Sustainability Leadership representing Dame Polly Courtice Director, Cambridge Institute of Sustainability Leadership, University of Cambridge; Marco Van Der Ree, Chief Development Officer, (GRI) Global Reporting Initiative; Mallam Adamu Adamu Honourable Minister of Education; Magali Anderson, Chief Sustainability Officer, Holcim; Sanda Ojiambo, UNGC Global CEO and Executive Director amongst many other diverse national and international stakeholders.



• Cross-section of panel

The outcome of the Sustainability Series will provide a guide towards accelerating the achievement of Sustainable Development Goals in Nigeria. The global pandemic has created a shift in the ways in which we do things, as such we must reinforce the need for a new thinking to foster and create an enabling and sustainable environment.



Building Impact Through Sustainability



"With a commitment to 'build back better' in unprecedented times and beyond, we continued to stay resilient in the face of new realities."



Climate and Energy



As climate change becomes an existential threat affecting the earth's temperature and global climate, Lafarge Africa is playing its part to reduce the impacts of climate change. This we do through investments and innovation in more sustainable solutions within our cement production and the use of lesser carbon intensive materials in our production.

As leaders in the sustainable construction space, we continue to develop and maintain strategic partnerships, employ best practices and industry trends in the global response to climate change.

CLIMATE CHANGE RISKS

As the average temperatures across the globe rise, climate change risks which ultimately cause disruptions and have an impact on the socio-economic systems of economy's and businesses are being exacerbated, thus disrupting the company's operations and activities. At Lafarge Africa Plc., we remain committed to the prevention and mitigation of climate-related risks by rethinking, re-imagining and finding innovative solutions to our operations.

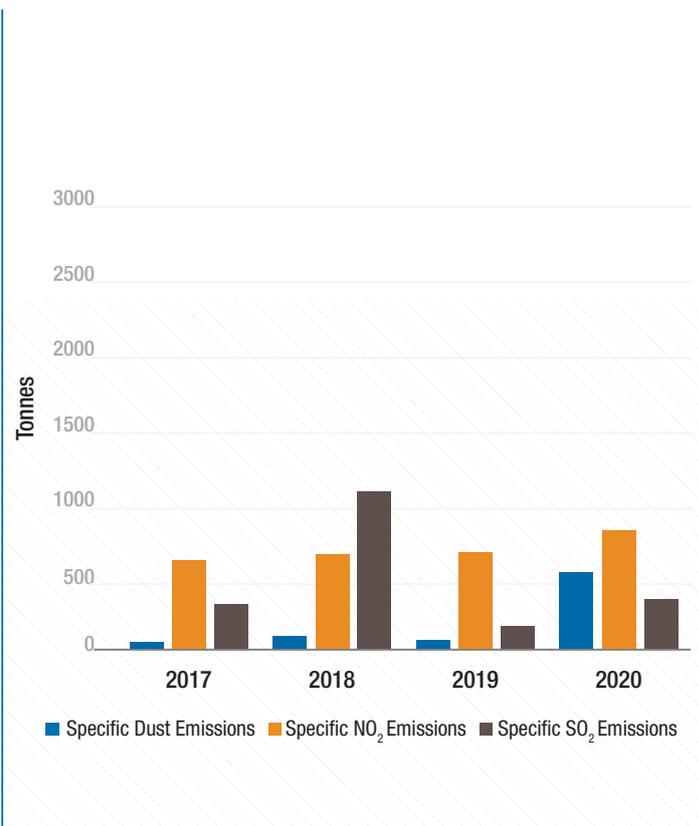
The Group's 2030 sustainability plan underpins this commitment by transforming the way we work while setting new industry standards across board. Our ambition to lead through innovation and develop solutions, services and products with improved social and environmental performance will contribute towards progressive thinking in the construction industry. We are guided by the Group targets to:

- produce 40% less net CO₂ per tonne of cement from 1990 levels; (incl. scope 1 and scope 2)

Our approach to mitigating climate-related risks in our operations is further highlighted through various strategic partnerships relating to sustainable development. Our alliance with the United Nations Global Compact Nigeria Network and Global Cement & Concrete Association (GCCA) exemplifies such commitments. Additionally, all our sites are monitored, and air emissions managed in accordance with the Group standards and local regulations. The diagram below shows our air emission records between 2017 and 2020.

This would require compliance to the necessary local environmental regulations and metrics in line with global agreements and such as the Paris agreement signed in 2015 and the UN SDGs.

In line with the great strides being made by Holcim cement in energy and carbon efficiency, the group remains committed to the defined targets towards reducing emission levels consistent with the globally recognised 2^o reduction scenario.



As part of our efforts towards fighting climate change, we conducted a tree planting campaign in 2020 which was geared towards using trees to reduce the amount of carbon dioxide in the atmosphere while releasing oxygen into the atmosphere. The trees planted will support the fight against the negative impact of climate change, while conserving biodiversity, preventing soil erosion and beautifying our environment.

 MD Ashakacem, Ibrahim Aminu & CEO, Lafarge Africa, Khaled El Dokani planting a tree



 Tree planting at our Ashaka plant

Research has shown that a global planting programme has the potential for immense carbon sink, thus offsetting emissions from human activities. As a sustainability driven company, Lafarge Africa Plc. will continue to play an active role in the fight against climate change.



 Ashaka Plant Premises Green zones



 Ashaka Plant Premises Green zones

Supporting Frameworks



UNGC: Principle 7, 8 & 9
 GRI: 302-4; 302-5; 303-1; 413-1
 NSE: Principle 9

ENERGY CONSUMPTION & EFFICIENCY

As an environmentally responsible organisation, we continuously seek to improve our operations by decreasing energy consumption and improving energy efficiency. Generating less energy has a direct impact on greenhouse gas emissions and according to the United Nations (UN), SDG 7 relating to Clean and Affordable energy is a vital pillar towards achieving the 2030 Sustainable Development Agenda and the 2015 Paris agreement. Our targets for energy efficiency will also support us as we diversify our utility resource portfolio amid uncertainties surrounding fluctuating fuel prices.



We are continuously improving the efficiency of our cement manufacturing process through implementing our Ten Golden Rules directed at effectively monitoring the day to day heat consumption reduction at our plants as stated below:

The Ten Golden Rules

1

Optimise Ball Mill Power:

Ensure that the ball mill performances are optimised in terms of production and/or specific power consumption through regular inspections and audits, proper internals condition and operating parameters monitoring

2

Minimise False Air:

Ensure through regular inspections, repairs and monitoring that we only handle the minimum gas flow required by the process and minimise air in-leakage

3

Manage Equipment Idling:

Ensure that any power consuming equipment not required to run has been shut down, that the start/stop sequences have been challenged and the number of start-ups minimised

4

Optimise Mill Power:

Ensure that the vertical mill performances have been optimised in terms of output and specific power consumption through proper maintenance and monitoring

5

Handle Gas Efficiently:

Ensure that the minimum gas flow required for production is handled efficiently with minimum pressure drop through proper inspection, maintenance and operation

6

Monitor Power Consumption:

Ensure that power meters are installed and operated in such a way as to allow an accurate and reliable tracking of our consumption per shop. It will allow us to check our power bill and to take advantage of the lowest tariffs, revenues from curtailments and savings from low balancing costs due to precise load forecasts

7

Manage Production:

Ensure that we will deliver a daily/weekly/monthly production planning to be able to predict our power consumption accurately and optimise our power costs

8

Master Clinker and Cement Quality to lower Power Consumption:

Ensure that we will produce a reactive and uniform clinker, which will allow us to meet the Lafarge Quality Technical Specifications without excessive grinding

9

Control Mill Feed Size:

Ensure that we select and operate the size reduction process in the most effective way, by setting targets for feed size, by performing regular inspections and monitoring performances

10

Minimise Compressed Air:

Ensure that the quality and quantity of compressed air is delivered according to usages, distribution is optimised, and leaks are corrected. The amount of compressed air used has been minimised



Despite the challenges faced as a result of Naira devaluation and the impact on availability and price fluctuation on Natural Gas and other fuel streams such as Automotive Gas Oil (AGO), Coal and low pour fuel oil (LPFO), we were able to minimise disruptions to our cement operations through strategic conversations with the relevant stakeholders while ensuring our natural gas pipeline was directly connected to our cement plants in the South East and South West.

Lafarge Africa is heavily investing in alternative sources of energy and ensuring that a diverse energy mix (beyond fossil fuel) is utilised across our plants. Through our energy mix which includes mixed industrial waste, agricultural waste, tyre chips and biomass, we were able to sustainably fire our kiln and achieved a Nigeria's thermal substitution rate of about 9.6% in 2020.

Supporting Frameworks



UNGC: Principle 7, 8 & 9
 GRI: 302-4; 302-5; 303-1; 413-1
 NSE: Principle 9

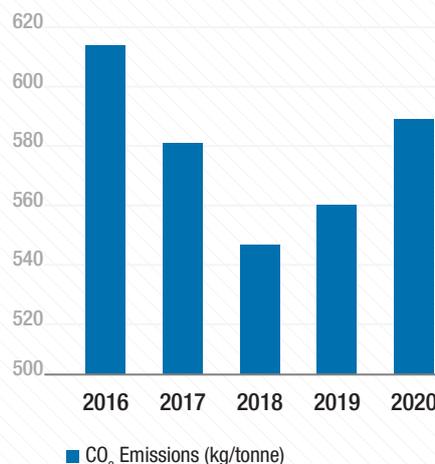
CO₂ EMISSIONS

Over the years, Lafarge Africa Plc. has remained innovative in delivering solutions leveraging the requisite technology in ensuring its activities and operations are environmentally friendly through reduction in greenhouse gas emissions. The specific CO₂ emission- net (kg/tonne cementitious material) emitted in LAP plants in Nigeria was 583kg/tonne compared to 555kg per tonne in 2019. We remain committed to achieving the targets mapped out in our Net Zero RoadMap to achieve 550kg net CO₂ /tonne of cementitious material by 2022.

Our CO₂ emission is continuously tracked and monitored across all sites and this is also reported and validated on the group database. This consequently enables the creation of a culture that fosters accountability and transparency across various levels of the organisation.

In 2020, we conducted a comprehensive and transparent assessment of our operations to determine the major sources of CO₂ emissions. This information is represented in the table below:

CO₂ Emissions (kg/tonne)



Process	Description	CO ₂ Reduction Initiatives
Clinker formation	Calcination-Chemical reaction that occurs during raw materials conversion, used for clinker in the Kiln at a very high temperature	Reduction of clinker factor within the acceptable quality limit to reduce CO ₂ emission



Kiln, Mobile Equipment, Power generation

Energy consumption in different processes like kiln, Mobile Equipment, Power generation

- Implementation of MEA energy initiative actions to reduce power and fuel consumption.
- The use of low carbon fuel (biomass) in our clinker production process. Thermal substitution rate of about 9.6 %, thereby reducing our fossil fuel

Travel Courier

- Carbon emissions through travel by air, water and road
- LAP has one (1) Dispatch Rider (DR) operating within Lagos.
- Average of 40 travellers
- Kilometres travelled by road per vehicle is an average of 15,000Km/year
- Staff buses are provided and available to staff across the different locations where we plant, and offices are situated.
- Carpooling, LAP has about 20 functional pool cars which are used by eligible staff.
- The DR's movement is on a need's basis by the different units within the organisation.
- Video call facilities are available and its being used optimally.

We have also formed strategic partnerships with local modular refineries and our coal suppliers with the main goal of optimising our supply chain while reducing emissions from LPFO & AGO and CO₂ emissions.

Supporting Frameworks



UNGC: Principle 7,8 & 9
GRI: 302-4; 302-5; 303-1; 413-1
NSE: Principle 9



Circular Economy



Circular economy is becoming increasingly pivotal towards achieving the 2030 Sustainable Development Agenda. Evidently, this will require collective action in addressing the root cause of waste and pollution in industrial processes, use of products and materials, and the regeneration of natural systems. Our production processes continuously undergo optimisation to incorporate by-products and waste materials from various industries to be used as alternatives to fossil fuels and raw materials in our operations.

Our goal as a Group continues to be the use of 80 million tons of waste-derived resources yearly by 2030. This entails increasing our resource efficiency by boosting the adoption of co-processing in cement kilns and reduction in the use of fossil fuels in our operations, job creation through poverty alleviation and sustainable packaging practices.

RESOURCE EFFICIENCY

Efforts made towards improving resource efficiency have the potential to enhance human well-being while decoupling economic growth from environmental degradation. Through our Geocycle operations and innovative solutions, Lafarge remains committed to making a zero-waste future a reality.

LAP has continued to forge alliances that will guarantee long term availability of renewable materials in accordance with the circular economy model. Sequel to the regulatory approval from Department of Petroleum Resources to offer waste management service to the Oil & Gas Industries, a contract was signed with a leading Oil & Gas company to manage its waste incinerated ash from the oil field in a sustainable manner.

Our revolutionary partnership with the company to recycle ash/ secondary waste generated from treated drilling and mud cuttings through the use of our co-processing technology for waste management is one of the major highlights of our commitment to resource efficiency. The secondary waste materials are sourced from:

- Stored treated drill cuttings following Thermal Desorption Process; and
- Incinerated Ash from (Filter Cake/Wax, Municipal Solid Waste)



In 2020, we commissioned a new waste treatment and co-processing facility designed to allow shredding and blending of various solid waste before they are co-processed in the cement kiln. We also partnered with SMEs, notable Pharmaceutical companies, and used tyres pyrolysis companies in our geocycling efforts to support in efficiently managing their waste. Our existing partnership with the Food and Beverage Recycling Alliance (FBRA) of Nigeria, made up of 19 FMCG's is tackling the quantities of waste that end up in landfills by providing eco-friendly waste management solutions to members of the Alliance. We have invested over 10 million Swiss Franc in alternative fuel projects over the past 4 years, through facilities, which are being utilised to mop up societal waste in order to positively impact the environment.

Young indigenes offloading palm kernel shells to be used for alternative fuel at Ewekoro, OgunState



This year, Lafarge Africa utilised 71,029 tons of waste as alternative fuel in form of Palm Kernel Shell, Cashew Shells, Saw dust, Rice Husk, Carbon Black, etc. through the initiative of Geocycle, compared to 90,819 tons in 2019 representing 22% decrease. (A)

In 2020, 9% of our energy was derived from wastes through alternative sources. Our Ewekoro, Sagamu and Ashaka Plants accounted for 18%, 24% and 18% substitution respectively, which further reiterates our commitment to derive 25% of energy used in our Nigerian operations from waste.



Supporting Frameworks



UNGC: Principle 7, 8 & 9
GRI: 301-1; 301-2; 301-3
NSE: Principle 9

JOB CREATION THROUGH POVERTY ALLEVIATION

The creation of decent jobs that promote social protection, worker rights and living wage supports the achievement of environmental sustainability, economic growth and social inclusion within the society. At Lafarge Africa, we remain committed to increasing fair and equal employment opportunities for Nigerians to foster social, political and economic stability.

Our biomass project which involves the use of agricultural waste as alternative fuel in our Geocycle operations is a social driven project we are particularly proud of. This project has successfully empowered local communities (including youth) while creating over 3000 jobs in various local communities.

35,221 tonnes of biomass were supplied to our plants by local suppliers at Ewekoro, Sagamu and Ashaka in 2020

Through our partnership with the Food and Beverage Recycling Alliance (FBRA) of Nigeria, we have positively impacted our society by creating over 100 direct and indirect jobs amongst other benefits such as reduction in the overall number of plastics that end up in drainages, dumpsites and rivers.

Supporting Frameworks



UNGC: Principle 7, 8 & 9
GRI: 301-1; 301-2; 301-3
NSE: Principle 6, 8, 9

PACKAGING

Global challenges such as climate change and increase in waste packaging are some of the major barriers of sustainable development today. As global populations and economic development are on the rise, global resources are constrained thus resulting in the need for sustainability across areas such as packaging solutions. Sustainable packaging is becoming increasingly vital for any responsible company looking to reduce its environmental impact.

At Lafarge Africa Plc., we are committed to reducing our ecological footprint at all stages in the life cycle of our products. This commitment is highlighted by the safe disposal of waste from our operations and the use of biodegradable and reusable packaging materials adopted across our value chain through innovative initiatives that bring us closer to a thriving zero-waste world.

Supporting Frameworks



UNGC: Principle 7, 8 & 9
GRI: 301-1; 301-2; 301-3
NSE: Principle 6, 8, 9

Environment

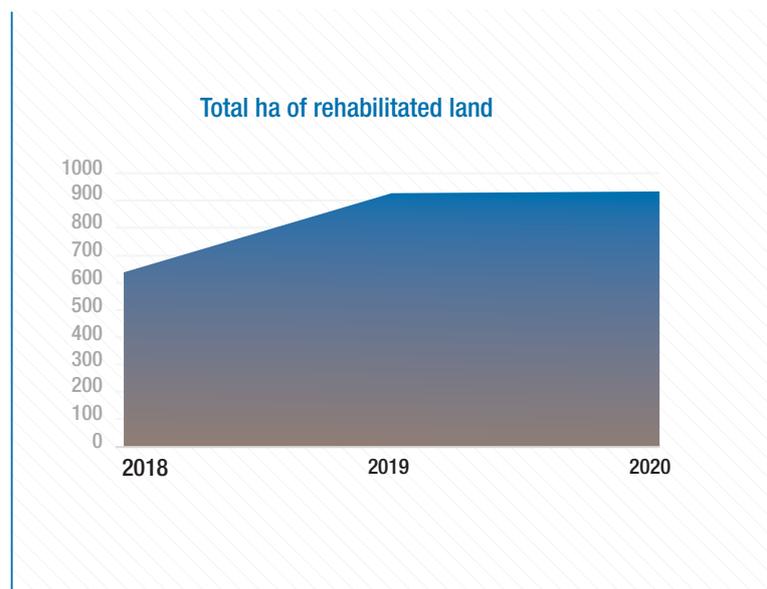


In line with our Group's environmental and biodiversity directives, we remain committed to implementing sustainable practices that mitigate the negative impacts our operation might have on the environment. As we are dependent on the natural environment for resources, it is imperative that we continue to create new and innovative ways for natural resource management, pollution prevention and waste reduction, which are global environmental goals.

BIODIVERSITY AND QUARRY REHABILITATION

This year, we continued in our efforts to enhance the biodiversity in our quarry sites through our quarry rehabilitation plans as guided by our Quarry and Biodiversity Directive, issued under the Holcim Environmental Policy. Currently, none of our quarry sites are located in protected areas declared under World Heritage, IUCN I and IUCN III. To minimise any harm our operations may pose to maintaining the ecosystem while considering the ecological complexes, we conduct biodiversity surveys on all our sites and develop Environmental Management Plans to ensure that all our operations are done in a responsibly and efficient manner.

We have a 100% rehabilitation target for all seven (7) of our quarry sites which have been integrated into our yearly extraction plan. So far, about 933 hectares (ha) of land has been rehabilitated within our quarries.



Our rehabilitation programmes are common to all our plants. These programmes do not only contribute to biodiversity but also minimise soil erosion, run off and promote favourable microclimatic conditions for inhabitants. Our host communities are engaged yearly to assess and make provisions for their needs which is reflected in our choice of vegetation. Plant species with economic benefits to the host communities are prioritised, such as mango, guava, orange, cashew, mahogany, eucalyptus and parkia (African locust bean).

Cross section of some rehabilitated economical trees (*Citrus × sinensis*; *Khaya ivorensis*; *Psidium guajava*) planted at Ashaka Limestone Quarry



Despite the limitations caused by lockdowns and social restrictions which stifled some of our rehabilitation plans, we remain committed to contributing towards afforestation and creation of natural carbon sinks. A total of 7,000 seedlings were planted in and around our quarries across the country in 2020. We also continued maintenance on the 397,000 trees planted across our sites since 2011.



 Reclaimed and rehabilitation of land at our Maiganga Coal Mine

Maiganga Wetland Project

To complement Lafarge Africa’s five (5) year mine rehabilitation plan, the Wetland Project was conceived with the aim of improving the acid mine drainage and creating a biodiversity hotspot at our Maiganga Coal Mine in Ashaka. With the potential to biologically treat over 80% of contaminants using natural processes, it is projected to supply between 2.5 to 4.5m litres of treated water to the host community. This novel project is first of its kind in Nigeria and it is intended to be used as a standard in Nigeria following its approval from the Federal Ministry of Environment.

To date, about 95% of the construction has been done with 50% of the wetland flora planted. Other ancillary steps include the development of an Environmental Management Plan and pump installations. Upon completion, over 2,000 community members will benefit from constant and improved water quality & supply and better air quality all year round. This will also boost the micro economy of the community and its surroundings as they will experience enhanced all year farming via irrigation and access to drinking water for their livestock.



 Maiganga planting and watering

Supporting Frameworks



UNGC: Principle 7, 8 & 9
 GRI: 304-1; 304-2; 304-3; 304-4
 NSE: Principle 9



DUST EMISSIONS

Dust emissions are not uncommon in the cement manufacturing process which is why reduction efforts are a primary focus for us at Lafarge Africa as part of our contributions towards environmental stewardship. Fugitive dust poses a great threat to the environment and the health of our people. The major sources of dust emission from our operations are our kilns and cement mill stacks which is why we ensure regular maintenance of dedusting equipment. Also, as part of our responsibility to the Holcim group, we have installed on-line monitoring equipment in our plants to measure our dust emission on a continuous basis. This equipment is also calibrated at regular schedules, to ensure good reliability of this equipment.

At Lafarge Africa, we conduct preventive maintenance on kiln electrostatic precipitators and bag filters while maintaining minimum stock reorder level of dust control equipment spares to avoid time lag in servicing or changing parts. In 2020, we recorded a specific dust emission of 507 g/ tonnes of cementitious material which was a significant increase from 2019. Upon further inspection of our stacks, we committed to upgrading the Electrostatic Precipitator (ESP) at our Ewekoro Plant 1 to a more modern system of a “Bag House” dust collection system.



Bag filter unit



Bag filter units at our Ewekoro cement kiln

We are required by Nigerian law to adhere to statutory limits and are subjected to quarterly spot emissions monitoring by government accredited consultants which is reported to NESREA and the Federal Ministry of Environment.

To mitigate dust emission from other sources, such as from dirt roads surrounding our plants, we have instituted measures to consistently reduce fugitive emissions in all our plants, preserve the local environment and minimise the impact on the neighbouring/host communities. We also conduct air quality measurement of our plant up to 10 km radius to assure conformance to acceptable limits.

Supporting Frameworks



UNGC: Principle 7,8 & 9
GRI: 305-7; 307-1
NSE: Principle 9



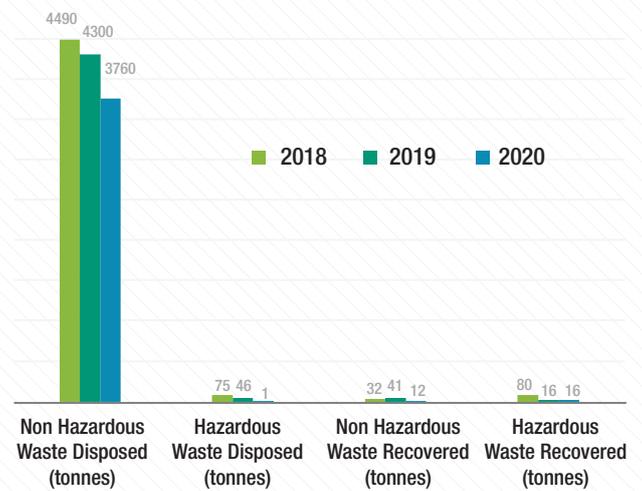
EFFLUENTS AND WASTE

According to the World Bank, the amount of construction and demolition waste (CDW) produced every year will increase from 1.3 billion tons to 2.2 billion tons by 2025. This is in addition to the sharp rises in other types of waste, particularly municipal solid waste (MSW) as the world experiences a rise in population. We at Lafarge Africa are committed to tackling these challenges and creating a cleaner and safer environment for all. We have in place waste management procedures which are implemented across all our plants, in-line with the National Environmental (Waste and Sanitation) Regulations. Our waste management is also covered under our Environmental Management System ISO 14001 certifications, of which three (3) of our sites have been certified with other sites certification process ongoing.

Our sewage treatment plants at some of our plants are fitted with chlorine tanks for treatment while run-off and effluent water are sampled regularly with the analysis covering COD and other physio-chemical parameters, this is in line with Nigeria regulatory requirements and conducted by government accredited third party consultants, and results submitted to FMENV and NESREA.

We also have temporary dumpsites and scrapyards at our sites where the State Environmental Protection Agencies are responsible for waste evacuation across plants to government approved dump sites and segregated scraps yards. These scraps are being temporarily stored prior to being bought by scrap buyers accredited by State Environmental protection Agencies. The medical waste from our clinics are either disposed temporarily in designated biohazard bins prior to collection for disposal by government approved agents or the sharp instruments are incinerated in plant clinics. Additionally, our radioactive sources are disposed of by the manufacturers following approvals from the relevant authority when required.

At Lafarge Africa, we produce two major classes of waste: hazardous and non-hazardous. In 2020, we recorded an 8.4% decrease in the total volume of non-hazardous waste and a 95.2% decrease in hazardous waste disposals in comparison to 2019. The graph below highlights the type and amount of waste we disposed in 2020 in comparison to 2019 and 2018 figures.



As part of our commitment to natural resource conservation and sustainable waste management, we have adopted the use of co-processed waste, such as biomass, industrial and municipal waste, which are shredded and blended in our co-processing facilities and used as a substitute for fossil fuels in our cement kilns. In 2020, we commissioned an alternative fuel firing installation at our Ewekoro Plant 2 to enhance the co-processing of about 30t/h of mixed waste.





Before



After



Re-use of tyre for plant beautification



Planting of flowers in used tyres

We have also adopted upcycling techniques by reusing waste tyres for plant beautification at our Ashaka plant to demonstrate the value of reducing and reusing. Tyres are highly durable and non-biodegradable materials which remain a challenging source of waste for the community due to the large volume being used and dumped in the environment. The used tyres were used to create a zero-waste garden for an eco-friendly environment as opposed to disposing them in landfills thereby negatively impacting the environment during the burning process.

By painting the waste tyres and planting different flowers on the ground or fabricated stands to improve the general plant beautification, we have been able to reuse and recycle a lot of waste thus reducing our environmental impacts.

Supporting Frameworks



UNGC: Principle 7,8 & 9
 GRI: 306-1; 306-2; 306-4
 NSE: Principle 9



WATER CONTAMINATION

In alignment with Holcim’s environmental targets, we ensure that our quarry and plant operations have minimal negative impact on the water quality within our host communities. As some of our sites are located in medium to high water risk areas, we are continuously raising awareness on water conservation at our sites across the country through signage and trainings to emphasise the importance of sustainable water usage. Our utility teams conduct periodic inspections along our water lines for leakages and manage proper implementation of our emergency response procedures in the event of leaks.

Our cement manufacture process utilises water efficiently as our close circuit system allows us to recycle processed water, thereby using only what we require. We do not depend on any municipal water supply for our operations as we have ponds that collect natural sources of water, rainwater and water from the dewatering activities from our quarries. For effective water management, water flow meters have been installed to measure our water usage and consumption, withdrawal and discharge rates. In 2020, we recorded a specific freshwater withdrawal per ton of product of 201L/ton for cement and 228 L/M3 for ready mix.

Some of our key initiatives addressing water contamination at Lafarge Africa Plc. include:

- Adopting the World Business Council for Sustainable Development (WBCSD) pledge for Water and Sanitation Hygiene (WASH) within our host communities. We provided sanitary borehole water and toilets facilities for six (6) communities in Sagamu, Ijoku, Sabo, Hausa community, Sanyindo, Ibido and Ewu-Oja.
- Dredging the common waterways within the Elebute community to remove blocks caused by litter and plastic, thus allowing ease of flow for wastewater.
- Construction of the wetland within the Maiganga community which commenced in 2019 at our Ashaka plant aims to treat wastewater from our coal mine to be channelled for community use.
- Plan to embark on an NGN 850 million project to extend treated water from our Sagamu factory to the community with scarce water supply. The land for running of water pipes has already been procured as part of and laying of pipes has commenced to improve the water accessibility for the community members.

Supporting Frameworks



UNGC: Principle 7,8 & 9
 GRI: 303-1; 303-2; 303-3; 306-1; 306-2; 306-4
 NSE: Principle 9



ENVIRONMENTAL COMPLIANCE

As a responsible organisation, we continuously ensure that all our operations comply with the relevant environmental laws, regulations and standards applicable to our products and operations. Guided by our Group's environmental policy, we have effective safeguards in place to reduce the negative impact of our environmental footprint. We expect strict adherence from all our operations across our sites.

We have conducted Environmental and Social Impact Assessments for all our sites as stipulated by law with approvals received from the Federal Ministry of Environment before commencement of operations. We currently have twelve (12) Environmental Impact Assessment certificates which were issued by the Federal Ministry of Environment of which a traffic management issue was identified along the highway. To mitigate this, we developed a traffic management plan to manage potential risks effectively.

All our plants and quarries have undergone regular statutory environmental audits and compliance monitoring which is conducted every three (3) years by officials of the Federal Ministry of Mines and Steel. In addition, identification of sites environmental aspects and impacts have been completed and incorporated into the site Environmental Management System (EMS). Our ISO 14001: 2015 surveillance audits are conducted yearly, and recertification audits every 3 years. In 2020, there were no fines issued for environmental non-compliance. (A)

In 2020, we:

- Contracted SEEMS (NIG) LTD to conduct the quarterly NESREA Emission and Discharge Monitoring for the two Ewekoro plants.
- Conducted annual environmental audits for the following plants:
 1. Ewekoro Quarry
 2. Ewekoro Cement Plant
 3. Ashaka Works
 4. Maiganga Coal Mine
- Obtained an annual compliance report for Mfamosing Plant and Quarry.
- Had valid NESREA Certificates for the following:
 1. Ewekoro Plant
 2. Mfamosing Plant
 3. Sagamu Quarry
 4. AshakaCem (A)

Staying committed to our role as leaders in environmental stewardship, we carry out biodiversity surveys at all our quarries and have in place their rehabilitation plans which are integrated into our yearly extraction plan. We have a comprehensive Environmental Management Plan in place for expansion projects which ensures that all our operations have minimal environmental impact and approval is gotten for such project from the Federal Ministry of Environment.

Supporting Frameworks



UNGC: Principle 7,8 & 9
 GRI: 307-1
 NSE: Principle 9



Community



We recognise our responsibility to conduct our business in a way that is ethical thus creating shared value for all our stakeholders. Being one of the sustainability pillars of Lafarge Africa, our focus on the wellbeing and resilience of the communities in which we operate has become pertinent. In the light of the global disruption that impacted lives and livelihood, as a responsible organisation, we promoted initiatives to provide relief and support for our communities, employees and suppliers.

ECONOMIC VALUE

As an organisation, we contribute towards the economic development of Nigeria through our business and manufacturing operations. While ensuring that we comply with all financial regulations as stipulated by the government regulations, we disclose our financial performance according to the standard accounting principles.

Our strategy for economic value creation is geared towards creating sustainable cities, beyond contributing to the construction and infrastructure industry in Nigeria but also towards the Gross Domestic Profit. In 2020, our direct economic value generated from our cement and building materials was worth NGN 230bN with 35% of our value added derived from capital expenditure. As an indirect value add, Lafarge Africa Plc. paid NGN 1.6bN in company income tax and creation of direct and indirect employment.

We rely majorly on local vendors for the supply of various materials required for our operations, thus spending 86% of our procurement budget, a total of NGN136,012,165,300 on local suppliers this year.

Through our geocycle function, we provided over 3000 jobs across our host communities, especially in the South-west through biomass sourcing. To also ensure that this value creation is widespread, we use our local suppliers interchangeably and encourage them to employ individuals that have the capacity to deliver within the communities.

We believe an effective approach to creating sustainable economic value as a business is through knowledge transfer. By equipping individuals with the skills and technical know-how of our business, we are better equipping the Nation's workforce and ultimately contributing towards economic growth through our programmes such as the Cement Manufacturing Technical Workshop, Process & Production Engineering Development Program (PPEDP) and Preventive Maintenance Engineering Development Program (PMEDP). In 2020, fifteen (15) Cement Professionals Technicians Program (CPTP) Apprentices graduated with some of these school leavers absorbed into the workforce by third party vendors providing services for us, while others have returned to further their education in higher institutions across the country.

Supporting Frameworks



UNGC: Principle 7,8 & 9
GRI: 201-1; 203-1; 203-2; 204-1
NSE: Principle 3, 8



REPUTATION

We pride ourselves in being an upstanding and responsible organisation which is why we conduct our business in a manner that maintains the impeccable reputation of our company and Group. We are driven by our core values - Customers, Results, Integrity, Sustainability, People and Health & Safety- which defines who we are, our attitude and what we believe in. Our values are communicated to all our employees from inception – through the onboarding programmes. We require our employees to live and demonstrate these values; an evaluation is carried out as part of the Performance Management process.

We are committed to maintaining a culture of integrity and upholding the highest standards of corporate governance within our organisation.

Our robust system of corporate governance is operated in accordance with the Nigerian Code of Corporate Governance 2018, the Securities and Exchange Commission (SEC) Corporate Governance Guidelines and other relevant international best practices on corporate governance to maintain optimal level of transparency and accountability. The Board of Directors maintain oversight of our compliance with these standards through regular monitoring and consideration of reports through the necessary committees.

With our goal of ensuring the Company's long-term value and success for all our stakeholder groups, we continue to research and develop new and innovative solutions through investments in cutting-edge technology contributing to the construction of sustainable, durable and better-connected cities across the country.

Supporting Frameworks



UNGC: Principle 1, 10
GRI: 201-1; 203-1; 203-2; 204-1
NSE: Principle 1, 3, 4

QUALITY PRODUCTS AND SERVICES

At Lafarge Africa Plc., we prioritise the production of high-quality products that meet the expectations of and build trust with our present and future customers. We understand the value of customer loyalty, as such, we are constantly rethinking innovative ways of improving the quality and efficiency of our products and services while ensuring that we remain leaders in providing sustainable construction solutions and building materials.

Our commitment in producing high quality products and services in an extremely competitive market is highlighted through our investments in innovation and Research & Development (R&D) at the Group level. By leveraging R&D, we have introduced new and more sustainable concrete brands and cement products which have had a transcending effect in the construction industry.

As we remain committed to creating value for our customers, we tailor our products and services to meet their needs as well as a continued after sales services. Our value-added concrete solutions offer a range of specialised concrete performance characteristics as shown below:

- Quick Set
- High Strength
- High Flow
- Delayed set
- Self-Compacting Concrete
- Poly Fibre
- Sulphate Resistant
- Steel Fibre
- Screed
- Shotcrete
- Low Shrinkage
- Mortar
- Grout
- Trench fill
- Lightweight



As an organisation with significant regard for customers, ensuring customer health and safety is of high priority to us. Our specialised concrete offerings undergo a rigorous quality control procedure that has a predetermined standard and criteria to ensure they are safe and environmentally friendly before packaging. In order to support our customers, we provide advisory services on the application and use of all our products and developed a robust site concrete quality management system to provide comprehensive technical support on concrete and cement technology, concrete testing and materials.

Supporting Frameworks




UNGC: Principle 1,10
 GRI: 201-1; 203-1; 203-2; 204-1
 NSE: Principle 1, 3, 4

ANTI-BRIBERY AND CORRUPTION

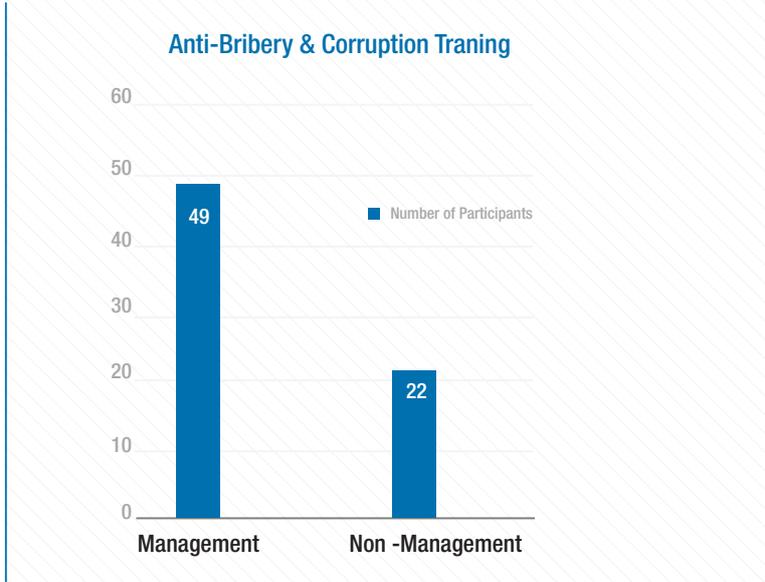
We are committed to enabling the healthy growth of our communities, resulting in a duty to act with integrity throughout our operations. We employ a zero-tolerance approach to instances of bribery and corruption by our employees, suppliers and third-party contractors alike. This is communicated to our stakeholders through our Anti-Bribery and Corruption Statement in accordance with global best practices and our pledge to upholding our high standards in relation to Corporate Governance. The Anti-Bribery & Corruption Statement provides what Lafarge Africa Plc. is committed to:

-  Conducting business dealings and relationships with high levels of integrity and in an ethical manner, in accordance with the Group’s Anti-Bribery and Corruption policies included, as defined by Holcim’s Code of Business Conduct, OECD Anti-Bribery Convention (Convention on combating Bribery of Foreign Public Officials in international business transactions), United Nations Convention against Corruption and applicable laws;
-  Complying with the appropriate Anti-Bribery and Corruptions laws such as Corrupt Practices and other Related Offences Act of 2000 and the UK Bribery Act of 2010 regardless of the business environment we operate in;
-  Ensuring the implementation and enforcement of effective systems to counter the risks of bribery and corrupt practices in any form including gifts and entertainment, reciprocal agreements, favours, discounts, travel, education and donations for which the company can be held liable;
-  Prohibiting the company, along with third parties from acting on its behalf, from engaging in fraudulent activities, corrupt practices, and other forms of bribery, gratification, attempting to obtain gratification, facilitation payments, and improper payments or benefits to public officials, their family members and other individuals.

Maintaining a culture of integrity is vital to our sustainable growth as a business, as such, we ensure all our employees, including our suppliers and third-party contractors are conversant with our policies. All employees at Lafarge Africa sign-off on the Code of Business conduct upon joining the company and remain communicated to it on an annual basis. We also conduct anti-bribery and corruption trainings for our staff across the different management levels, with the diagram below showing the number of participants that were trained on anti-bribery and corruption in 2020.



We further ensure that all agreements with our third-party stakeholders such as suppliers, customers and lawyers, include our anti-bribery and corruption clauses (which summarise our policies). In 2020, we recorded no confirmed incidents with our business partners leading to the termination or non-renewal of contracts due to violations related to corruption.



BUSINESS ETHICS

Ethics and accountability are crucial to any business, especially in the unprecedented year faced in 2020. With disruption to business, it was imperative that we increase stakeholder trust and encourage our employees to continue living our organisational values. In line with our vision to remain a business leader in the industry, we conducted our business with utmost integrity and in accordance with the highest ethical standards. Our code of business conduct and ethics serves as a guide in our dealings with our internal and external stakeholders, while we ensure that the board, senior management, other employees and third parties share Holcim's commitment to acting with integrity. All our employees are trained on the code with the implications for breaching same duly communicated with them. We also circulate frequent internal communications to all our employees on compliance values and ethics of the business.

Our ethics framework provides the foundation for our business conduct. Under the directives of the Board Risk Management and Ethics Committee,

the framework provides implementation measures and guidance on how to enhance our ethical standards and maintain effective compliance. At Lafarge Africa Plc., our Board of Directors maintain oversight and have integrated a process for the identification, monitoring, reporting and adherence to the Company's code of business conduct.

We ensure that all our suppliers comply with the principles established in Lafarge Africa Plc's Supplier Code of Conduct, particularly principles on human rights, labour related issues, environment and anti-bribery & corruption. This is ensured through our internal practices, guidelines and rules, as well as our compliance with external regulations. All our security personnel receive trainings on human rights policies and procedures, in accordance with our compliance framework, contributing to our zero (0) records of issues of compliance internally or externally during the course of the year.

Supporting Frameworks

UNGC: Principle 1, 10
GRI: 205-1; 205-2; 205-3
NSE: Principle 1, 2

Supporting Frameworks

UNGC: Principle 1, 10
GRI: 412-2; 416-2; 417-3; 419-1
NSE: Principle 3



PRICING INTEGRITY AND ANTITRUST COMPLIANCE

At Lafarge Africa, we believe that high performance with high integrity is integral to a sustainable business. Guided by our Code of Business Conduct, we believe in free markets and fair competition as it ensures our customers get the best products and services from us on the most favourable terms. We do not tolerate any form of violation of antitrust and competition laws but are committed to competing fairly for our suppliers and customers. Our employees are never to directly or indirectly enter into agreements with actual or potential competitors to fix prices, limit quantity of products, allocate markets geographically or engage in communication with competitors about bids.

This year, all our new hires received training on fair competition and compliance with other compliance focused trainings held for our employees.

We understand the significance of the role we play in the industry and ensure that all our employees abide by these laws as monitored by the Compliance Officer, Human Resources and Internal Control Manager.

Supporting Frameworks



UNGC: Principle 10

GRI: 102-16

NSE: Principle 3

BUSINESS RESILIENCE

Majority of businesses were impacted by the measures taken by the government and authorities to mitigate the effects of the pandemic on the society which ultimately resulted in a number of disruptions to business as usual. From the numerous lockdowns, logistics disruptions to social restrictions and the devaluation of the naira, many businesses in the country came to a halt or operated with a very lean team, thus resulting in overall reduction in output. As warning signals of a possible global pandemic began to emerge, Lafarge Africa constituted its Business Resilience Team (BRT) in January of 2020 with the aim of protecting our people, their families and our other stakeholders. The tasks of the Business Resilience Team include the following:

- The designing, planning and testing of company responses to likely disruptions and situations occurring within and outside of the organisation
- Updating the country's Trigger Action Response Plan (TARP) and implementing agreed action plans whilst updating the group on progress and results
- Equipping the organisation in adapting to the new normal whilst simultaneously safeguarding the safety of our people, operations and results.

Through our Health, Cost and Cash Action Plan, which was launched in March 2020, we were able to maintain focus on what was most important to us as an organisation.

We prioritised the safety and wellbeing of our people, suppliers and communities but also included measures that would mitigate the financial impact of COVID-19 on our business.

Through this plan, we were able to monitor our employees' wellbeing and provide mental and physical support to them by assessing and improving the communication needs of the organisation and engaged with relevant organisations like the World Health Organisation (WHO), Nigeria Centre for Disease Control (NCDC) and the State Ministry of Health.

The prioritisation of these issues proved effective for the company as we experienced high levels of collaboration, engagement and productivity amongst our teams which resulted in an exceptional H1 2020 performance, despite the disruptions to operations by the pandemic. We were able to achieve this by adopting the following principles:



1 Honest, transparent and empathetic communication:

Effective communication methods were essential during the pandemic period as false information on social media platforms concerning the virus became prevalent during the COVID-19 period. As a result, being transparent, showing empathy, promptness and consistency was paramount for our organisation, and we ensured that the following measures were put in place to uphold these principles:

- Informative posters strategically located across business locations
- Consistent and regular updating of website with informative materials and guidelines
- Communicating with employees following the discovery of the index case and other cases across the organisation
- Reassuring employees concerning leadership levels commitment to their safety and wellbeing
- Conducting virtual town halls and engagement sessions which allowed the CCEO to provide updates and connect and communicate directly with employees. Employees were also provided the opportunity to ask questions and seek assurance on topics concerning them.

2 Enabling Employee Wellness

We conducted daily awareness campaigns on COVID-19 with the aim of effectively educating employees and containing the spread of the virus. In using virtual workshops/sessions to reinforce learning, these awareness campaigns focused on educating employees on coronavirus issues pertaining to disease symptoms, precautionary measures, amongst others. These campaigns were critical in ensuring Lafarge employees remained current and knowledgeable on information concerning the virus, further curtailing the spread of fake information and myths about the virus.

In ensuring our work environments remained safe to operate in, we initiated the following medical protocols at our plant;

- Rigorous disinfection of affected sites, vehicles, tools and equipment
- Tracing and identifying individuals who had direct contact with index case (followed by immediate isolation and quarantine)
- Daily on-site monitoring of temperature and symptoms with logged results being shared with the NCDC
- With a focus on boosting morale and mental wellbeing, our employees had access to a counselling helpline manned by professional psychologists

Following the Federal Government's imposition of a lockdown, the BRT conducted extensive analysis focused on ensuring critical business operations stayed afloat, whilst safeguarding the health and safety of our internal and external stakeholders. The office was closed, and employees were equipped with the necessary digital tools required to effectively work remotely, with the support of company policies, guidelines and FAQs to aid the new way of working. Lafarge Africa also partnered with Tremedoc, a company which provides telemedicine services and medical consultation services to our employees based in Lagos.

3 Resilience and agility in preparing the organisation for a post COVID-19 future

In order for our organisation to thrive in a post-pandemic climate, building a resilient and agile workforce lies at the core of this, as new skills were required to adapt to this new normal, skills focused on digital dexterity, creative problem solving and collaboration. It was essential that we found a balance between physical and remote working, ensuring that both modes of operating blend effectively to contribute to a thriving business.

In order to achieve this blend and balance, plans to revise and update our workplace policies (remote and physical) will be considered to ensure that new modes of working across the organisation are seamless and effective.

Supporting Frameworks



UNGC: Principle 10
GRI: 102-20; 102-33
NSE: Principle 5



CYBER THREAT AND DATA PROTECTION

The onset of the COVID-19 pandemic came with an unmistakable shift in cyber threats. As organisations modified the ways in which they conducted their businesses, the world shifted to remote working which brought into focus the new and existing threats to technologies and infrastructure. If not monitored and prevented, these attacks could lead to financial loss, reputational damage, safety or environmental impact.

To prevent such risks from occurring at Lafarge Africa, we established policies and procedures for IT security and governance. We were guided by our Disaster Recovery Plan which was put in place to identify potential IT disaster situations and establish a plan that minimises its impact. This plan was communicated to our management team, employees, contractors and customers who might be involved in or affected by the operations of the plan. During the course of the year, we deployed appropriate security protocols to protect the information being accessed away from our physical sites,

this included provisioning for installations of a Virtual Private Network (VPN) and antivirus software. Each employee was also required to complete mandatory cyber security trainings to educate on how to reduce exposure to cyber security threats.

With regards to personal data protection, we value the privacy of our employees, customers and suppliers. All personal data received is controlled by a responsible communication controller who ensures the security and integrity of any personal data shared with us. We are fully committed to compliance with the Nigerian Data Protection Regulations, 2019 which states that upon consent of the data owners, personal data can only be collected, processed and shared only for lawful purposes. The processing of personal data received is either necessary for the performance of a contract or other business agreement with Lafarge or for compliance with our legal obligations.



FOREIGN EXCHANGE FACTORS

The country was affected by the tri-fold effect of the COVID-19 pandemic, inflation and foreign exchange volatility which resulted in a challenging year for most businesses. The movement in exchange rate had its effects on our operations which was partly mitigated by our health cost and cash initiatives.

Our strategy for economic value creation is geared towards creating sustainable cities, beyond contributing to the construction and infrastructure industry in Nigeria but also towards the Gross Domestic Profit. In 2020, our direct economic value generated from our cement and building materials was worth NGN 230.6bN with 35% of our value added retained to maintain and replace capital expenditure. As an indirect value add, Lafarge Africa Plc. paid NGN 2.3bN in company income tax and creation of direct and indirect employment.

Although the devaluation of the Naira and the fluctuation of foreign exchange rates posed a challenge to our business, we maintained effective and strategic engagements with our stakeholders, which allowed us to experience minimal disruptions across our operations. We also adopted the use of alternative fuel (palm kernel shells, saw dust, industrial waste, carbon black and shredded plastic) in our Ewekoro and Ashaka plants. This has helped reduce our energy costs on gas consumption whose costs are indexed to the USD dollar employment transactions



EMPLOYEE LABOUR RELATIONS

Lafarge Africa Plc is aligned with the local, International Labour Organisation (ILO) and the United Nations Global Compact (UNGC) standards of managing employee labour relations. We operate a business that strives to create an environment in which freedom of association and collective bargaining, and the personal rights of our employees are respected and protected. We have put in place systems such as the 'Integrity line' which provide a platform for our employees to raise complaints relating to human rights violations, harassment, discrimination, amongst others. Our collective bargaining agreements include a minimum notice period of three (3) months for significant operational changes such as restructuring, outsourcing and closure of our operations.

We provide a conducive environment for union activities to thrive and conduct training for the union executives and officials, especially on topics relating to Health & Safety and human rights. Every employee of Lafarge Africa has the freedom of association and right to belong to any union of their choice as entrenched in the 1999 Constitution of the Federal Republic of Nigeria, Trade Union Act and Industry Procedural Agreement. Our employees are members of the following unions:

- National Union of Chemical, Footwear, Rubber, Leather and Non-Metallic Products Employees (NUCLAMPE)
- Chemical and Non-Metallic Products Senior Staff Association of Nigeria (CANMPSSAN)



Our union retreat, 2020

We are guided by our human rights policy, as contained in our Code of Business Conduct, which ensures our operations do not infringe on human rights regulations.

Supporting Frameworks



UNGC: Principle 3, 6
GRI: 402-1; 407-1
NSE: Principle 5

HEALTH AND SAFETY

Health and Safety is the overarching core value for Lafarge Africa which showcases its importance to us as a business. We remain committed to conducting our business in a responsible manner that creates a healthy and safe environment for our employees, suppliers, customers and communities. It is our goal to achieve zero harm to people and our success in this as a business is dependent on the commitment of everyone.

We ensure all our employees understand the role they play in our success as a business through our management processes. Our aim is to provide a safe working environment and work with our employees and contractors in imbuing a culture that encourages collective responsibility and accountability for Health and Safety.



Our Management team lead the health and safety committees across our plants and maintain oversight of the health and safety issues that may arise. The committees are responsible for making decisions pertaining to health and safety within the organisation and ensuring full compliance of our health and safety rules. We also provide incentives for outstanding HSE performance as well as disciplinary measures for non-compliance with our health and safety rules.

Prior to the emergence of the COVID-19 virus, we set up a Business Resilience Team (BRT) which oversaw implementing our Business Resilience Plan in the event of crises that may materially affect our people, environment, assets and operations. This helped in cushioning the effects of the pandemic on our operations and showed our preparedness and resilience as a business in Nigeria. The Group's Health, Cost & Cash Plan was also critical to our success as an organisation as it enabled us to safeguard the health of our employees, customers, suppliers and communities in general.

As new developments and statistics on the virus arose, daily internal communication on COVID-19 was shared with all our employees across our operations. We conducted awareness training programmes for our employees, contractors and host communities and displayed informative posters across our plants and communities. In addition to COVID-19 awareness sessions we held, we provided equipment, infrastructure, food and medical supplies and telemedicine to support our communities.



COVID-19 awareness posters at some of our sites



HSE training maintaining COVID-19 safety protocols

In order to minimise the spread of the virus, we maintained social distance by switching to a remote working environment, with schedules put in place across our plants to be able to accommodate safety protocols in terms of shifts and install new safety protocols for the clinics and the plants. Health & Safety training unrelated to COVID-19 were still conducted during the year whilst maintaining the safety protocols.

In 2020, we continued to improve our Health & Safety performance which can be seen in our Lost Time Incident Frequency Rate (LTIFR) of **0.11**

For all our employees in 2020, we recorded:

1. No of Fatalities- 0
2. No of Injuries-0
3. No of Loss Days-0 days
4. Average rate of Injuries-0 [Ⓐ]



Our employees, including employee family members and contract staff, are entitled to biannual medical health checks which focus on work-related disorders, nutrition, lifestyle screening and cancer. Medical reports are confidentially reported to all patients during consultation feedback. All full-time employees also benefit from Lafarge's medical insurance and Group Life insurance. Some of the health programmes conducted in 2020 can be seen in the table below.

Programme Undertaken	Type of programme carried out (yes to applicable option)			
Name of Programme undertaken	Education/ Training	Counselling	Prevention	Treatment
Asthma	YES	YES	YES	YES
Lung disease	YES	YES	YES	YES
Diabetes	YES	YES	YES	YES
Hypertension	YES	YES	YES	YES
Typhoid	YES	YES	YES	YES
Dysentery	YES	YES	YES	YES
Tuberculosis	YES	YES	YES	YES
Heart Attack	YES	YES	YES	YES
Anaemia	YES	YES	YES	YES
Malaria	YES	YES	YES	YES
General Health Awareness & Personal Hygiene				
Eye Care	YES	YES	YES	YES
Dental Care	YES	YES	YES	YES
Ear Care	YES	YES	YES	YES
Stress Management	YES	YES	YES	YES
Lifestyle Diseases	YES	YES	YES	YES
Ergonomics	YES	YES		YES
Urology	YES	YES	YES	YES
Industrial Health & Safety	YES	YES	YES	YES
Pain Management	YES	YES	YES	YES
Skin allergies	YES	YES	YES	YES

At Lafarge Africa Plc., we have a robust vision and well-defined road map to assure the health and safety of our drivers and external parties involved in our logistics operations. The road map which was developed in 2015 undergoes continuous improvement and our road safety strategy has narrowed our focus key strategic intents to deliver on our ambition “0” i.e. zero injury, zero fatality in our operations. In 2020 our focus was standardising our road safety system using five (5) levers to drive the effectiveness of our road safety processes, procedures and standards. The key milestones we achieved are;

- Improvements in transporter accountabilities on driver's management, vehicle management and journey management.
- Enforcement of consequence management by implementing onsite violation management at our plants.
- Introduction of Vehicle Rollover Prevention training.

We recorded a road traffic accident and fatality rate of 0.05 and 0.25 respectively. The remedial actions we put in place to address the accidents we experienced are;

- Implementation of LAP daily onsite violation management.
- Enforcement of transporter accountability.
- Introduction of Motor vehicle rollover incident prevention.
- Training of transporters on fatigue management (Hours of Service) rules
- Collaboration with local governments and road safety agencies to implement safety cultures in the communities and drivers.

Our collective bargaining agreements with Trade Unions we are a part of also cover health and safety topics. They are;

- Personal Protective Equipment;
- Joint Management-worker Health and safety Committee;
- Workers participation in Safety Audits and Inspections;
- Workers Participation in Accident investigations;
- Health and Safety Training and Education;
- H&S Complaint Mechanism;
- Right to refuse unsafe work;
- Periodic Health and Safety inspection.

Supporting Frameworks



GRI: 403-1; 403-2; 403-4; 416-1; 416-2
NSE: Principle 5



EMPLOYEE WELLNESS AND DEVELOPMENT

Our employees are our greatest assets and the role they play is integral to our success as a business. Their wellbeing has become priority for us at Lafarge Africa as they continue to face physical and mental health challenges, adapting to new ways of working, caregiving challenges and feelings of isolation as a result of the pandemic. It is therefore imperative that as an organisation we create a conducive working environment that improves both personal development and welfare.

In partnership with AXA Mansard, we set up our Employee Assistance Programme (EAP) to support our staff in tackling the challenges

and anxieties they were experiencing as a result of the pandemic and remote work. We conducted daily COVID-19 testing sessions at our clinics and had an in-house counsellor, who was also available virtually, to provide mental support to our employees.

We understand the importance of flexibility which is why we made investments in digital platforms over the years which paid off during the pandemic. We also have a functioning flexible work plan policy for staff including custom work plans for new parents. Our staff are entitled to parental leave and this year, we recorded a 100% return to work rate for employees that took parental leave.

Number of employees that went on Parental Leave	Number of employees that went on parental leave	Employees that returned to work after parental leave	Return to work rate in FY 2020
Female (Maternity Leave)	9	9	100
Male (Paternity Leave)	2	2	100

Our business faced a lot of disruptions during the course of the year with changes in our leadership, the COVID-19 pandemic and the new ways of adapting to doing business. Despite these challenges, we still experienced outstanding results and we aim to continue leveraging the resilience and hard work of our employees. As a result of this, we developed a programme called Project One aimed at building a high performing organisation with one team working together in a more collaborative way. By providing opportunities to help our people grow in their jobs and progress in their careers, it creates sustainable business growth and long-term organisational health, as well as develops market relevant skills required in the Nations' workforce. Through this programme, we will be able to create more leaders through increasing healthy engagements across business functions, improve the quality of our services, build a skilled, confident and engaged workforce that has full ownership, accountability and freedom to innovate.

Due to the pandemic, regular employee performance evaluations could not be conducted, we therefore adopted a team-based approach to performance management and performance conversations were held to review the progress of our employees. Through our Functional Resource Committee, our employees have a clear understanding of their career development through the talent review sessions where areas of strength and development for each employee. It is discussed and a clear action plan is identified and followed through for implementation. Individual Development Plans (IDP) are also discussed with employees as part of the performance management process.

Below is a table showing the summary of employees that were appraised in 2020.

Employee Category	Grades	Male	Female	Total	% of total employees
Senior Management	A+B	1	0	1	0.08
	C	6	0	6	0.47
	D	12	3	15	1.17
	E	75	14	89	6.94
Middle Management	F	186	25	211	16.46
Junior Management	G	714	73	787	61.39
Staff (Permanent)	H	171	2	173	13.49
Total		1165	117	1282	100

Supporting Frameworks



GRI: 401-2; 401-3; 404-3
NSE: Principle 5



EMPLOYEE ENGAGEMENT

In 2020, it was imperative that we kept our employees engaged and checked in on their physical and mental well-being during the pandemic. The sudden transition into remote working proved to be a challenging one for most people as there was little to no social contact and we had to adapt to remote working. We constantly provided necessary information and guidelines on how to stay safe and work from home through our daily internal communications. Despite the physical distance, we felt that the pandemic brought us closer as employees. As a team, our leadership team were in constant, transparent and open communication with the employees and we saw the engagement levels soar during this period.

We deployed employee engagement tools such as surveys, pulse checks and increased interactions to gauge the level of contentment of our employees and gain their views on their working conditions. We used the feedback received to strategize and drive some actions to improve their wellbeing, safety and development. A number of our usual employee engagement activities were held virtually in 2020. Our programmes and initiatives targeted to build our staff morale and improve engagement levels still went according to plan such as the Volunteering programmes, Friday Hangout with the CCEO, Quarterly Town Hall meetings, Open Conversations and TGIF. Several of our teams also held virtual hangout sessions and our Organisational retreat was also held virtually.

For the first time in Lafarge Africa, we celebrated International Men's day on the 20th of November 2020. We held a virtual event where we commemorated the men in our organisation on their contribution towards us as a business and fellow colleague. Other national and global celebrations we celebrated were National day "Naija day", World Water Day, World Environment Day to name a few, which were also held virtually.



International Women's Day, 2020

World Cancer Day, 2020



Conference collage of leadership team

DIVERSITY AND EQUALITY

Embedding diversity and inclusion in our business environment remains a priority at Lafarge Africa Plc. We constantly review our strategy to improve and create a working culture that values talent beyond stereotypes. This inclusive working environment enables our people to give their best and reach their potential beyond any prejudice.

Our commitment to promote Diversity & Equality in line with United Nations Sustainable Development Goals (SDGs) 5, Gender Equality and 10, Reduced Inequalities enables us to provide equal opportunity in recruitments, promotions, rewards for all employees and learning & development (L&D) irrespective of ethnicity, gender, religion and race. This in turn builds a progressive working culture for talent.

Supporting Frameworks



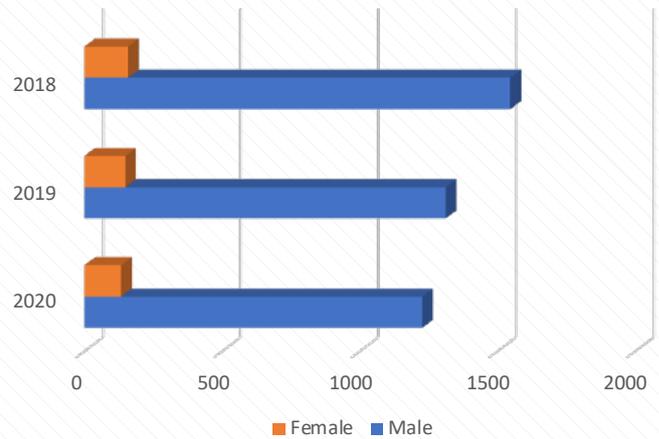
GRI: 401-2; 401-3; 404-3
NSE: Principle 5



The nature of gender representation in the construction industry requires a conscious effort from Lafarge Africa Plc. to work towards addressing the gender imbalance across our operations. As at December 31, 2020, we had 10 males and 4 females on our Management team, representing 71% male and 29% female. (A) The implementation of fair & transparent best practices and policies that promote gender equality across our business operations such as creche services, maternity, celebration of International Women's Day, membership of gender focused organisations like Women in Management, Business and Public Service (WIMBIZ) and paternity leave have had a positive effect on the productivity of our employees.

The table below shows the ratio of Nigerian male to female employees from 2018 to 2020

EMPLOYEES FROM NIGERIA						
	2020		2019		2018	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
NUMBER	1227	133	1312	149	1547	158
TOTAL	1360		1461		1705	



The ratio of Nigerians to expatriates in the full workforce is 72:1 while the ratio of expatriates to Nigerians in senior management roles and technical roles is 1:4. This shows Lafarge Africa's positive impact towards capacity building of our domestic country employees.

Supporting Frameworks

UNGC: Principle 6
 GRI: 405-1; 401-3; 404-3
 NSE: Principle 5, 6

TRAINING AND EDUCATION

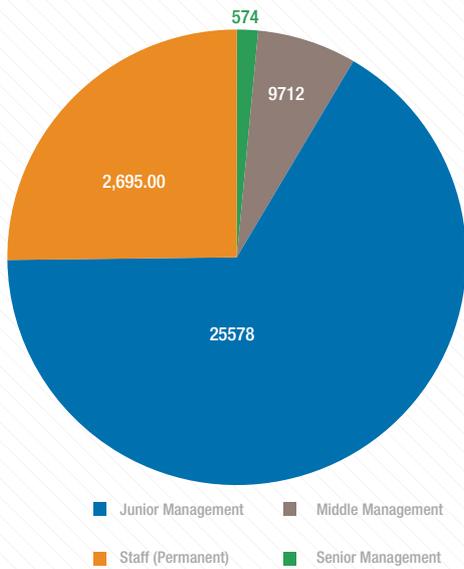
Driven by our Training and Development Policy, our approach to knowledge transfer is the 70:20:10 principle where 70% of knowledge transfer is derived on the job, 20% through coaching and mentoring and 10% from classroom training. Training and development methodologies are communicated during our onboarding sessions for new hires, quarterly staff retreats, function town halls and through our Human Resource Business Partners. Our Learning & Development team also holds regular engagements with functional and unit heads on the training needs of employees in the department and the best ways to bridge gaps identified.

Our mode of delivering these trainings include instructor-led sessions, e-learning, webinars, coaching & mentoring and on the job assignment.

The pandemic did not deter us from demonstrating our dedication towards knowledge transfer and the development of our people. We swiftly transitioned our vital trainings to online platforms and e-learns so as not to create a training gap due to the physical constraints. We recorded a total of 38,559 training hours for the 614 trainings that were conducted in 2020 across the different employee levels. The table below shows a summary of the 2020 training records.



Training hours



Employee category	Total number of trainings	Total training attendance	Total training hours
Senior Management	41	286	574
Middle Management	84	801	2,695.00
Junior Management	348	5643	25578
Staff (Permanent)	141	2716	9712
Total	614	9446	38,559

We also have our Lafarge Africa Training Centre (LATC) at Ewekoro, Sagamu, Mfamosing and Ashaka which is open to all our stakeholders, staff, contactors and the communities. The training facilities have admitted young secondary school leavers in the host communities into various programmes. Some of the programmes we offer at the centres include: Cement Manufacturing Technical Workshop, Process & Production Engineering Development Program (PPEDP), and Preventive Maintenance Engineering Development Program (PMEDP) etc. In addition, some of the trainers are from our host communities.



SPOTLIGHT: The 7th Lafarge Africa National Literacy Competition (60th Anniversary Competition)

At Lafarge Africa, we believe in the power of good quality education which birthed our Lafarge Africa National Literacy Competition in a bid to secure a brighter future for young Nigerians. Since the inception of the programme in 2014, we have had nearly 700,000 public school pupils benefit from our competitions.

The overarching theme of this initiative “Bridging the Literacy Gap Together” is fuelled by our commitment as an organisation to ensure we leave a positive impact on public school pupils in our Nation. As the year was a peculiar one, this edition of the competition was a virtual essay competition themed “Building the Nigeria of our Dreams” as it coincided with Nigeria’s 60th year of independence.



Cross section of Students from the following schools: Archbishop Taylor, Kuramo Primary and Secondary School, Victoria Island Secondary school.

With about 1,600 pupils in public primary schools competing, it included secondary school pupils for the first time. Our reach was expanded as it was a 100% virtual event and was executed in partnership with our implementing partners, Ovie Brume Foundation. We also recorded one of our most viable internal partnerships as this initiative was a collaboration between the Communications and the Commercial functions.



Our effort towards this competition aligns with SDG 4, Quality Education, SDG 5 - Gender Equality, SDG 11 - reduced inequalities and SDG 17 partnership for the goals and supports our ambitions of improving digital literacy amongst our target beneficiaries, while reinforcing the strong foundations that Lafarge Africa has laid in reading, spelling and comprehension.



Supporting Frameworks



GRI: 404-1; 404-2; 404-3
NSE: Principle 5, 6

COMMUNITY ENGAGEMENT

In the last one year, the turn of events as a result of the global disruptions impacted our host communities, with the vulnerable members of these communities being the most hit by the restrictions and effects of the pandemic. As our communities are critical stakeholders of ours, we were swift in our response to provide some relief and support while prioritising initiatives to fight the spread of the virus.

Lafarge Africa made investments worth NGN 500mN to complement the efforts of the government and other stakeholders in the fight against the pandemic. One major highlight of our intervention was the production of communication materials for Covid-19 preventive measures to increase awareness and improve sensitisation. The materials were produced in 5 languages and supported our goal of health advocacy within the communities and beyond.



Covid-19 creative poster in 5 different languages





Covid-19 donations in Mfamosing



Former Plant Manager, Mfamosing, Lafarge Africa, Xavier Kennedy, presenting palliatives to a beneficiary-19 donations in Ashaka



Covid-19 Isolation center in Ashaka, donated by Lafarge Africa



Covid Isolation Centre Gombe

We are focused on prioritising the safety and wellbeing of our host communities. In 2020, over 100,000 direct beneficiaries were recorded for the initiatives listed below:

- Six (6) units of ambulance and two (2) units of generating sets;
- Provision and equipping of an isolation centre in Ashaka, Gombe State and Ogun State;
- Five thousand (5,000) units of COVID-19 test kits and personal protective equipment;
- One thousand (1,000) units of hand wash stations, sanitisers and infrared thermometers across our host communities and operating sites;
- ICT Information and Communications Technology equipment to support telemedicine;
- Food Relief packages for 11,000 families and targeting over 60,000 people worth NGN150M (One Hundred and Fifty Million Naira) across Local Governments in Lagos, Ogun, Cross River, Gombe, Rivers States and the Federal Capital Territory, Abuja.

Putting the interests of our stakeholders at the centre of the pandemic interventions, 15,000 nose masks were donated to the Manufacturers Association of Nigeria (MAN) in partnership with Nigerian Stock Exchange. Beyond our host communities, we supported Ebonyi State with an ambulance and Kano State with PPE and computers to support telemedicine.

The pandemic did not deter us from sustaining business as usual in response to needs of the communities. Our success as a business is based on thriving with our communities and operating in full respect and awareness of human rights and needs. The Needs Assessment which was completed in 2019 supported us in identifying and validating the development needs of host communities through continuous engagement and dialogues with the Community Relations Committee to actively address their feedback. Before we embark on community projects, we identify pros and cons to evaluate the benefits as well as shared value for ourselves and the community.

Environmental and social Impact Assessments (EIAs) are also conducted prior to undertaking any expansion project as a prerequisite for approval. This ensures that risks identified are mitigated thus creating a positive impact on the ecosystem of the community, thereby sustaining continuous stakeholder engagement.



Donation of Face Masks by M.A.N & Lafarge Africa



An additional NGN 700m was invested in community development initiatives with a focus on our CSR pillars Shelter/Infrastructure; Education; Health & Safety and Economic Empowerment and business inclusive projects. Some of the skills development initiatives conducted during the year include:

- Community block moulding training;
- Agricultural Ecology Intervention;
- Farmers Support Programme: seedlings, equipment, etc.;
- Vocational training in Welding and Fabrication;

With a duty of care, our employees demonstrated empathy in the face of COVID-19 as 177 of them volunteered over 2,608 hours to our COVID-19 palliative distributions, World Environment Day, Virtual Reading to community children and Block making training exercises in the communities across our operations.



Our volunteer employees

Supporting Frameworks

1 NO POVERTY	2 ZERO HUNGER	4 QUALITY EDUCATION	6 CLEAN WATER AND SANITATION
8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES
			16 PEACE, JUSTICE AND STRONG INSTITUTIONS

GRI: 203-1; 413-1
NSE: Principle 4, 6, 7, 8, 9

YOUTH EMPOWERMENT

As a contribution towards the SDG 8 – promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all, we recognise our responsibility as a business to contribute to the socioeconomic development of our communities. We work closely with the communities reduce the number of youth unemployment through provision of opportunities such as trainings for youths across initiatives within our operations.

Our social investment strategy includes contributions to programmes that are targeted at creating sustained value for the youth demography within the communities in which they live in. Some of these programmes include the Cement Professional Technician Programme (CPTP) and Technical Apprentice Programme (TAP).

By increasing the employability of our youth, we are bridging the gap between the current workforce skills pool and the future needs of industry. In 2020, we continued to work with our local communities by conducting our training programmes where 15 Cement Professionals Technicians Program (CPTP) Apprentices graduated. We have impacted over 5,000 beneficiaries by contributing over NGN 90 million across Nigeria towards our Educational Support Programme for secondary and tertiary students across all our operation sites.





SPOTLIGHT: Business School Programme for Graduate Trainees

The organisation completed the training for the 2018 Graduate Trainees this year, in spite of the challenges posed by the pandemic. The 2018 Graduate Trainee programme was an 18-month programme aimed at infusing the talent pipeline with young and talented professionals who will grow to become business leaders in our organisation in the medium-long term.

The programme was designed to include rotations across various functions; hands on exposure to key areas of the business, i.e. Health & Safety, our customers & markets, our operations in different locations; and a customised business school programme to close out their training. The programme, co-designed and run by the Lagos Business School (LBS), had a curriculum based on regular MBA curriculum and lasted for six months.

The pandemic created an opportunity to review the programme design and mode of delivery to a virtual-live model and the extensive use of online resources. Trainees were awarded certificates on completion of their projects and have since been assigned to their places of assignment.



 Lafarge Africa Plc 2018 Graduate Trainees

SUSTAINABLE PROCUREMENT

Being a responsible and ethical organisation, we place high emphasis on sustainable and cost-effective procurement practices taking into account environmental and social considerations with the aim of reducing negative impact on people and the environment. Our commitment to sustainable procurement practices are highlighted under our Global procurement policies and procedures. We seek to engage in long-term relationships with our suppliers that are partnering towards delivering on the United Nations Sustainable Development Goals (SDGs) mandate. In 2020, 86% of our procurement budget was expended on local suppliers where majority of them where from our host or surrounding communities, thus empowering and contributing to their livelihoods.

Supporting Frameworks



GRI: 203-1; 413-1
NSE: Principle 4, 6, 7, 8



 Ashaka MD presenting COVID-19 support items - Hand Sanitizers, Hand Wash stations and sensitization posters - to the Chairman of Funakaye COVID-19 Task Force - Ma. Adamu Dishi Kupto





Ashaka MD presenting COVID-19 support items - Hand Sanitizers, Hand Wash stations and sensitization posters - to the Chairman of Funakaye COVID-19 Task Force - Mal. Adamu Dishi Kupto

We also offered our support to COVID-19 by sourcing and distributing five (5) units of ambulance and two (2) units of generating sets. We also sourced and distributed COVID-19 test kits, PPE and other medical supplies for the State governments such as; analgesics, multivitamins, antimalarial drugs, oral rehydration solutions, anti-hypertension, anti-diabetes, and urinalysis kits.

Other medical supplies such as latex gloves, nose masks, hand gloves, infrared thermometers, respirator N95 surgical masks, hand sanitisers, disinfectant, bleach, antiseptic soaps and hand washing stations were also sourced with food relief packages to be distributed in our host communities in Lagos, Ashaka, Ewekoro, Mfamosing and Sagamu.

We conduct supplier performance evaluations as part of our efforts towards ensuring compliance with internal procurement stipulations. In engaging suppliers, we are continuously increasing our supplier base by introducing diverse groups of suppliers with the capacity to deliver and support capacity building within our communities.

As a result of the new ways we had to adapt to business in 2020, Lafarge Africa resolved to plan deliveries to customers within the safe working hours respecting lockdown instructions and adhering strictly to COVID-19 protocols as we engage customers and other stakeholders. We procured three hundred and seventy-three (373) trucks to aid in the distribution of our cement products



Head Sustainable Development & Brand, Lafarge Africa, Titilope Oguntuga presenting one of the ambulances donated by Lafarge Africa to support the Government's fight against the spread of Covid-19

SUSTAINABLE SUPPLY CHAIN

In today's industry, environmental and social responsibility are becoming increasingly critical to customers and stakeholders. Lafarge Africa Plc. has implemented sustainable practices across its supply chain to foster partnerships with suppliers that are ethically responsible and compliant. We continuously seek to work with suppliers that apply Environmental, Social, Health & Safety standards.

Our policies and procedures promote sustainable supply chain which are in line with United Nation Global compact (UNGC) principles, Organisation for Economic Co-operation and Development (OECD) guidelines and the International Labour Organisation (ILO). Regular spot checks and visit to suppliers' facilities are conducted from time to time to ensure compliance and ascertain that there are no issues of child or forced labour or abuse of human rights. Lafarge Africa Plc has also conducted compliance evaluations and request references from companies that provide similar services. In 2020, there were no cases identified/ reported on child or forced labour.

Supporting Frameworks

GRI: 2014-1; 414-1
NSE: Principle 4, 6, 7, 8



We have also deployed measures to enforce supplier rights for freedom of association and collective bargaining, acknowledgement of Code of Business Conduct by the supplier which ensures that suppliers shall not interfere with worker's freedom of association. Some innovative initiatives that we adopted in 2020 with respect to the pandemic were:

- Engaging suppliers to draw up cost models and assist them to identify their gaps;
- Including virtual meetings for them to show what they have done in their offices regarding plans for health and safety;
- Use of a pre-qualification questionnaire and feedback from their reference companies. This particularly assisted us in onboarding new suppliers due to the disruptions of the lockdown. Spot checks resumed with the ease of the lockdown by the Federal Government of Nigeria.

We also carried out contractor engagement sessions as part of our efforts to boost awareness creation and compliance to our Code of Business conduct. Virtual supplier performance evaluation sessions were performed with critical suppliers between June and July 2020 and plant contractor engagements that focused on vendors responsibility with respect to safety, quality service delivery and on-time payment of employees and use of PPEs at work were conducted at our Mfamosing Plant.



Plant contractor engagement

Vendor Requirements

As part of our requirements for our suppliers, we place high emphasis on the ESG impacts of their operations to ensure they meet the qualification criteria to work with us. This involves due diligence assessments of health and safety practices, practices to curb corruption and child labour in their operations. The objectives of our vendor/ supplier evaluations are to:

- To prevent the transfer environmentally sensitive operations to companies that do not have the capacity or commitment to effectively manage them
- To reduce the risks of health and safety in the workplace

Lafarge Africa Plc. is committed to engaging with suppliers that are socially and environmentally responsible in their operations and we are continuously reimagining and modifying our operations to be more environmentally friendly across our value chain.

Supporting Frameworks



GRI: 308-1; 308-2; 407-1; 408-1; 409-1

NSE: Principle 4, 6, 7, 8





SPOTLIGHT: We Built this City: Celebrating 60 years of building for growth

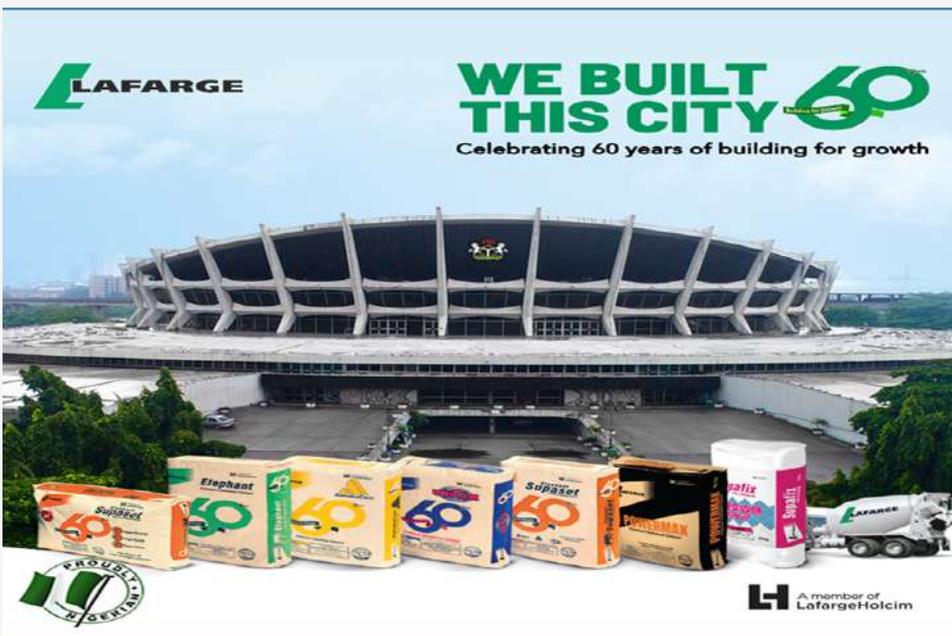
The year 2020 marked 60 years of Lafarge Africa's operation in Nigeria, it was therefore important that we celebrated our achievements in sustainably building with the government, our communities, customers, shareholders and the economy as a whole. In a robust 60th anniversary themed campaign, we showcased the various architectural monuments which Lafarge cement was used to build while unveiling a vibrant anniversary bag design.

We celebrated our distributors in a virtual Customer Independence event, where they were appreciated for their long-standing patronage and partnership. A national promotion to reward retailers, block makers and individual home builders was tagged "Lafarge 60th Anniversary Promo." It was conducted from May – September 2020. The prizes involved winning additional bags and recharge cards for a minimum purchase of 200 bags. It was a highly participated promo which excited the trade and reinforced the trade's confidence in Lafarge Africa's brands.



Our Commercial team also hosted the first interactive Virtual Commercial Conference where we reviewed the business performance, engaged with the team members and through experienced facilitators, held capacity development sessions to equip the team with requisite skills for their advancement.

As a customer-oriented organisation we supported customers in the acquisition of 20tonne trucks to support the redistribution and improved shelf presence of our products while partnering to grow their business. This truck ownership scheme was also extended to our Logistic Service Providers who support our overall drive in developing the market by ensuring our products reach all nooks and crannies. This initiative has helped to build their capacity and grow their businesses.

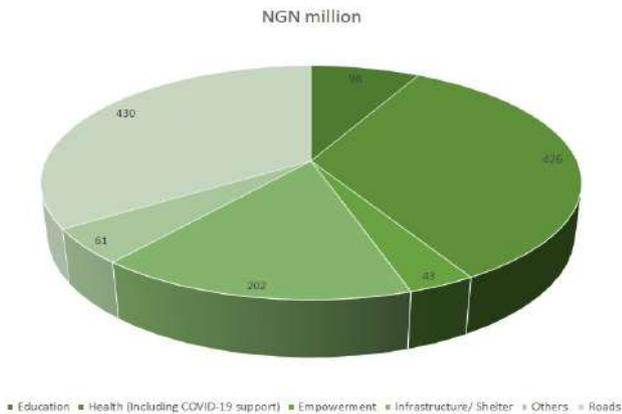


SOCIAL INVESTMENT

Being a conscious member of the society in which we operate, we are conversant of the contribution our communities have on our overall performance as a business. Our Social Investment strategy is informed by the Group's Sustainability Ambitions and focuses on the localisation of our Community pillar under 4 sub-pillars: Shelter/Infrastructure; Education; Health & Safety; Economic Empowerment. With oversight from Plant Managers & Community Relations Managers in each location, we are able to address the issues of concern across all our locations in delivering on these pillars.

The COVID-19 pandemic and its challenges did not inhibit our efforts towards the development of our communities, but only resulted in an increased level of commitment.

Inclusive infrastructure is an area of particular interest to us as we link our social investment to our business activities. We work in partnership with our local communities to deliver affordable housing, better roads and other programmes aimed at improving their lives. In 2020, Lafarge Africa disbursed a total of NGN 1.2 billion on COVID-19 support and diverse social investment programmes across our locations in the country. With over 250,000 beneficiaries, we contributed to projects such as electrification of communities in Ashaka, construction of reinforced roads and drainage in Olapeleke community and construction of Itori customary court, Itori community to name a few. The diagram below shows a breakdown of our CSR investments in 2020.



Female farmers supported by Lafarge Agric Ecology initiative

Supporting Frameworks

UNGC: Principle 8
GRI: 203-1
NSE: Principle 4, 6, 7, 8, 9



Creating Sustainable Growth through Partnership





"We understand the value in establishing strategic partnerships in the global efforts geared at tackling climate change and other issues bordering on people, prosperity and planet through innovation."



Our Partnerships to Deliver Shareholder Value

As a responsible and ethical company, we understand the value in establishing strategic partnerships in the global efforts geared at tackling climate change and other issues bordering on people, prosperity and planet through innovation. We remain committed to assessing the impact of our business within our industry and in the country where we operate. As we continue to explore opportunities for sustainable development, we are aligned with relevant international and local organisations and ensure the goals of this decade of action are brought to fore.

The Nigerian Economic Summit Group



The Nigerian Economic Summit Group (NESG) is a non-profit, non-partisan private sector organisation with a mandate to promote and champion the reform of the Nigerian economy into an open, private sector-led globally competitive economy.

The NESG Sustainability policy commission aids in facilitating NES recommendations with the aim of bridging the sustainability gap and the adoption of blue, green and circular economies in Nigeria. Their efforts include driving a low carbon Manufacturing industry, management of marine ecosystems, adoption of circular economy models to eliminate waste and accelerating climate finance.

Lafarge Africa Plc. has formed strategic partnerships with NESG and the Lagos Business School to further drive the NESG commitment.

Global Cement and Concrete Association (GCCA)



The Global Cement & Concrete Association (GCCA) is a progressive association dedicated to developing and strengthening the sector's contribution towards sustainable construction. By focusing on research and innovation, it aims to promote the development of durable, resilient and environmentally sensitive buildings and infrastructure at global level.

Lafarge Africa Plc. is committed to facilitating sustainable development in cement and concrete sectors through collective actions with similar goal-driven organisation in order to contribute to global and local socio-economic developmental challenges.

Nigerian Stock Exchange (NSE)



The Nigerian Stock Exchange (NSE) plays a vital role in aiding Nigeria's economic growth through provision of a sustainable and efficient capital market. The NSE highlights the direct links between overall business performance and sustainability performance. The NSE have provided a step by step approach on integrating sustainability in organisations, and detail indicators that should be considered when providing annual disclosure to The Exchange and encourage all issuers to consider and adopt the practice of sustainability reporting.

Lafarge Africa Plc. has been listed as an issuer under the Nigerian Stock Exchange since February 1979. Lafarge is also a member of the premium board which showcases companies who are industry leaders in their sectors of the Nigerian Stock Exchange. The principles and core elements of sustainability by the NSE align with most of the sustainability goals we have set for ourselves as a responsible organisation cutting across the triple bottom-line.



UN Global Compact (UNGC)



United Nations
Global Compact

The United Nations Global Compact is a non-binding United Nations pact to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation.

By incorporating the Ten Principles of the UN Global Compact into their strategies, policies and procedures, companies are not only upholding their basic responsibilities to people and the planet, but also setting the stage for long-term success.

Lafarge Africa Plc. is a member of the United Nations Global Compact (UNGC) Nigeria network at Board level. Our sustainability commitments are in tandem with the principles of the United Nations Global Compact as demonstrated in our performance and initiatives for the year.

Global Reporting Initiative (GRI)



The Global Reporting Initiative (GRI) is an independent international organisation that aids businesses and organisations to take responsibility and account for their impacts through provision of a global common language for reporting those impacts. GRI considers itself as a catalyst for change by driving a sustainable future modelled by transparency and open dialogue about the impacts of organisations.

Lafarge Africa Plc. remains committed to the adoption of GRI standards in publishing comprehensive sustainability reports and measuring our Sustainability performance indicators to address critical sustainability issues.

The United Nations Sustainable Development Goals



The United Nations Sustainable Development Goals (SDGs) are adopted by all member states of the United Nations to promote prosperity while protecting the planet.

There are 17 SDGs which recognise that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability. The SDGs are designed to bring the world to several life-changing 'zeros', including zero poverty, hunger, AIDS and discrimination against women and girls.

As an organisation focused on driving sustainable development within our sector, we are aligned to 14 of the 17 SDGs and remain committed to partnering with the Federal Government of Nigeria to achieve the 2030 goals.

Federal Road Safety Corps



The Federal Road Safety Corps (FRSC) the Government Agency in charge of regulating, enforcing and coordinating road traffic and safety management activities in Nigeria. FRSC has a vision of eradicating road traffic crashes and creating a safe monitoring environment in Nigeria.

In 2020, we collaborated with local governments and FRSC to implement safety cultures in the communities for drivers in line with our 2030 Sustainability Strategy.

Private Sector Advisory Group Nigeria

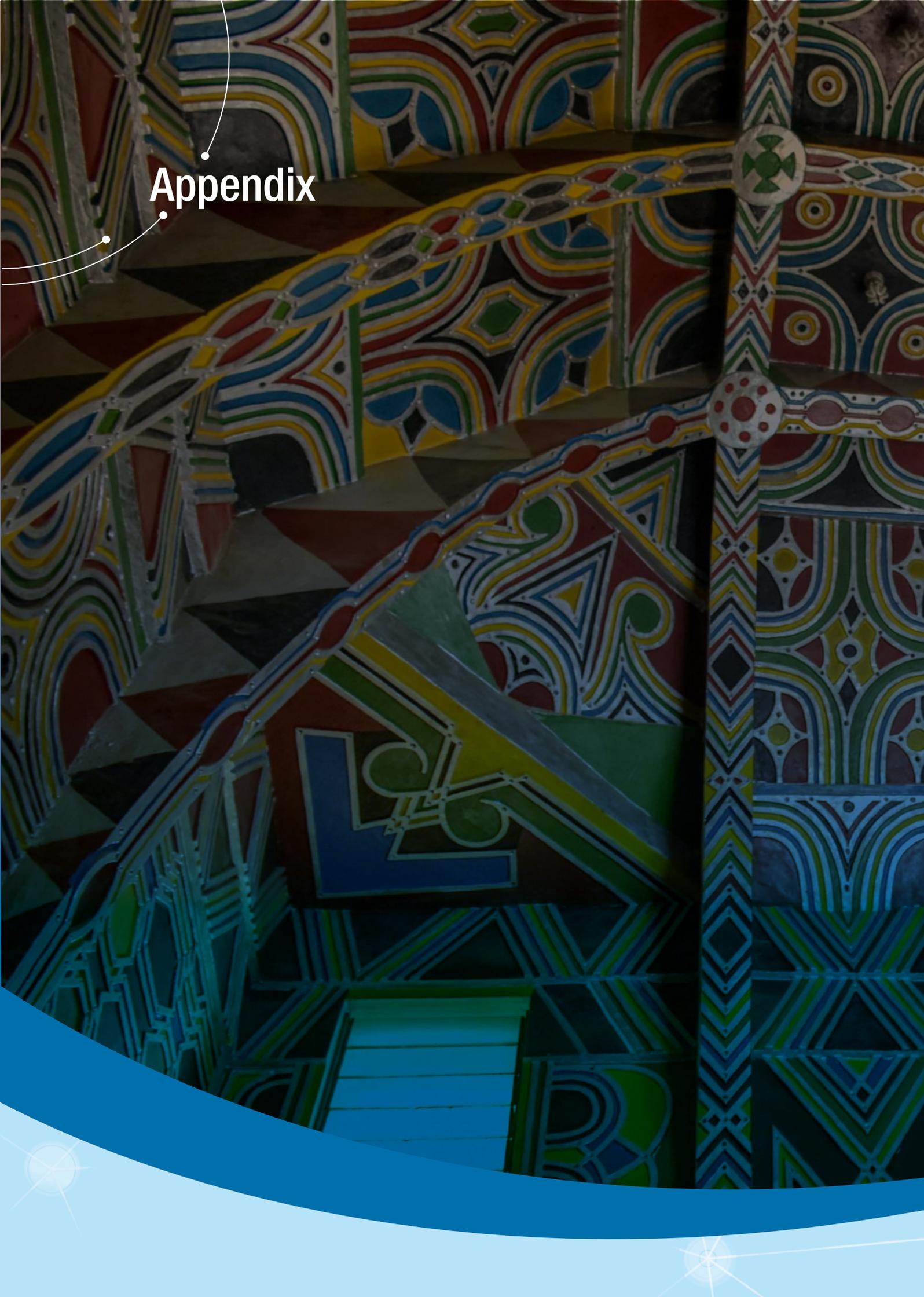


The Private Sector Advisory Group (PSAG) Nigeria was created in 2015 to better understand and identify areas of common interest and promote the SDGs to establish productive public-private partnerships. The purpose of PSAG Nigeria is to provide PSAG Global with guidance and strategic support to achieve better development results in coordination with the private sector in Nigeria.

Lafarge Africa Plc is co-lead with General Electric for PSAG Cluster 8 responsible for driving private sector engagement on the attainment of SDGs 9 and 11 – Industry, innovation & infrastructure and Sustainable cities and communities. Cluster 8 is focused on attracting and galvanizing the actions of organisations focused on Manufacturing, Engineering & Construction, Transport, Financial Services and Information Technology.

We will continue to play a vital role through dialogue and implementation of the objectives and goals of the PSAG in collaboration with corporate foundations and private organisations with similar values and goals.





Appendix



External Assurance



Independent Auditor's Limited Sustainability Assurance Report on the Selected Sustainability Information in Lafarge Africa Plc.'s Sustainability Report for the Year Ended 31 December 2020

We have undertaken a limited assurance engagement in respect of the selected sustainability information, as described below, and presented in the 2020 Sustainability Report of Lafarge Africa Plc. for the year ended 31 December 2020. This engagement was conducted by a multidisciplinary team including health, safety, social, environmental and assurance specialists with relevant experience in sustainability reporting.

Subject Matter

You have engaged us to provide a limited assurance conclusion in our report on the following selected sustainability information, marked with (A) on the relevant pages in the sustainability report for the year ended 31 December 2020. The selected sustainability information below have been prepared in accordance with the reporting criteria as described below and presented on **page 78** of the Lafarge Africa Plc. Sustainability report for the year ended 31 December 2020.

Key Performance Indicator	Unit of Measurement	LafargeHolcim Group Sustainability Targets (Assurance Criteria)	Selected Information (as documented in Lafarge Africa Plc's 2020 Sustainability Report)	Page number
Emissions	Kg/tonne Percentage	By 2030, we want to produce 40% less net CO2 per tonne of cement than we did in 1990 – representing an additional effort of 19% reduction if we consider 2014 as reference year. (2020 target for thermal substitution rate is >25%)	The specific CO2 emission- net (kg/tonne cementitious material) emitted in LAP plants in Nigeria was 583kg/tonne compared to 555kg per tonne in 2019. This indicates a 5% increase when compared to 2019.	29
Procurement Practices	tons	By 2030, we want to use 80 million tonnes of resources made from waste in our operations each year.	In 2020, Lafarge Africa utilised 71,029 tons of waste as alternative fuel in form of palm kernel shell, cashew shells, saw dust, etc., compared to 90,819	42

PricewaterhouseCoopers Chartered Accountants
 Landmark Towers, 5B Water Corporation Road, Victoria Island, Lagos, Nigeria
 T: +234 1 271 1700, www.pwc.com/ng TIN: 01556757-0001

Partners: S Abu, O Adekoya, O Adeola, T Adeleke, W Adetokunbo-Ajayi, A Akingbade, UN Akpata, O Alakhume, C Azobu, E Erhie, K Erikume, U Muogilim, C Obaro, P Obianwa, T Labeodan, C Ojechi, U Ojimah, O Oladipo, W Olowofoyeku, P Omontuemen, O Osinubi, T Oyedele, AB Rahji, O Ubah, Y Yusuf





		We will be supplying 4 times more recycled aggregates from construction & demolition waste and reclaimed asphalt pavement by 2030.	tons. This represents 22% decrease.	
Health and Safety	Number Days	By 2030, we want to achieve a zero-fatality target, a Lost Time Injury Frequency Rate of 0.2, a 50% reduction in Total Injury Frequency Rate (vs 2015) and have an occupational disease rate of 0.1.	For all our permanent employees in 2020, we recorded: <ul style="list-style-type: none"> • Number of fatalities - 0 • Number of injuries - 0 • Number of loss days – 0 days 	58
Gender Diversity	Number Percentage	We want to promote equality and diversity at LafargeHolcim. We want to achieve a minimum of 30% gender diversity at all management levels around our business by 2030. 2020 Target: Achieve 20% gender diversity (2015 – 10%).	As at December 31, 2020, we had 10 males and 4 females on our Management team, representing 71.43% male and 28.57% female.	62
Stakeholder Management	Number Percentage	By 2030, we want to help 75 million people live better lives through our affordable housing solutions, our inclusive business initiatives and our social investments.	We held 37 Community Relations Committee Meetings in 2020.	30



Environmental Compliance	Number	By 2020, audits on environmental compliance and performance (second party or third-party audits) conducted on all production sites once every 5 year (compliance to legal requirements and other commitments)	<p>In 2020, we:</p> <ul style="list-style-type: none"> • Contracted SEEMS (NIG) LTD to conduct the quarterly NESREA Emission and Discharge Monitoring for Ewekoro Plants 1&2; • Contracted Ashawa Consults Limited to conduct the quarterly NESREA Emission and Discharge Monitoring for Ashakacem; • We reported on quarterly NESREA statutory Emission and Discharge Monitoring for: <ol style="list-style-type: none"> 1) Ewekoro 1&2 2) AshakaCem • Had valid Environmental Audit reports and NESREA Environmental Audit Certificates for the following: <ol style="list-style-type: none"> 1) Ewekoro Plant 2) Mfamosing Plant 3) Sagamu Quarry 4) Ashakacem • In 2020, we had valid Federal Ministry of Environment Audit Certificate for Mfamosing Plant. 	49
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Lafarge Africa Plc's Responsibility

The management of Lafarge Africa Plc. are responsible for the selection, preparation and presentation of the selected sustainability information in accordance with the accompanying reporting criteria as set out in the sustainability report (the "Reporting Criteria"). This responsibility includes:

- The identification of the stakeholder requirements, material issues, commitments with respect to sustainability performance, and
- The design, implementation and maintenance of internal control relevant to the preparation of the Sustainability Report so that it is free from material misstatement, whether due to fraud or error.

Management is also responsible for determining the appropriateness of the measurement and reporting criteria in view of the intended users of the selected sustainability information and for ensuring that those criteria are publicly available to the report users.

Inherent Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining, calculating, sampling and estimating such information. The absence of a significant body of established practices on which to draw allows for the selection of different but acceptable measurement techniques that can result in materially different measurements and can impact on comparability. Qualitative interpretation of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine the information, as well as the measurement criteria and the precision thereof, may change over time.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants (IESBA) issued by the International Federation of Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies the International Standard on Quality Control 1 (ISQC 1), and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Assurance Provider's Responsibility

Our responsibility is to express a conclusion on the Sustainability Assurance Report based on conducting a limited assurance engagement. We performed our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 Assurance Engagements Other Than Audits or Reviews of Historic Financial Information. This standard requires that we comply with ethical





requirements and that we plan and perform the engagement to obtain limited assurance about whether the subject matter information is free from material misstatement.

Our assurance engagement involves performing procedures to obtain sufficient appropriate evidence about the Sustainability Assurance Report which is the subject of our assurance engagement. The procedures selected depend on our judgement, including an identification of areas where a material misstatement of the subject matter information is likely to arise whether due to fraud or error. In our identification, we consider internal control relevant to management's preparation of the sustainability assurance report in order to design procedures that are appropriate in the circumstances.

A limited assurance is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement and included inquiries, observation of processes followed, inspection of documents, analytical procedures, evaluating the appropriateness of qualification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, and performing the procedures listed above, we:

- Interviewed management and senior executives to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process;
- Inspected documentation to corroborate the statements of management and senior executives in our interviews;
- Tested the processes and systems to generate, collate, aggregate, monitor and report the selected sustainability information;
- Performed a controls walkthrough of identified key controls;
- Inspected supporting documentation on a sample basis and performed analytical procedures to evaluate the data generation and reporting processes against the reporting criteria
- Evaluated the reasonableness and appropriateness of significant estimates and judgements made by Management in the preparation of the selected sustainability information; and
- Evaluated whether the selected sustainability information presented in the report are consistent with our overall knowledge and experience of sustainability management and performance at the Company.

The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's sustainability information have been prepared, in all material respects, in accordance with the accompanying Company's reporting criteria.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.





Limited Assurance Conclusion

Based on procedures performed and the evidence we have obtained, and subject to inherent limitations outlined elsewhere in this report, nothing has come to our attention that causes us to believe that the selected sustainability information as set out in the Subject Matter paragraph above for the year ended 31 December 2020 are not prepared, in all material respects, in accordance with the reporting criteria.

Other Matters

The maintenance and integrity of Lafarge Africa Plc's website is the responsibility of Lafarge Africa Plc's Directors. Our procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to either the information in the Report or our independent assurance report that may have occurred since the initial date of presentation on Lafarge Africa Plc's website.

Restriction on use and distribution

Our work has been undertaken to enable us to express a limited assurance conclusion on the selected sustainability information to the Directors of the Company in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than the Company for our work, for this report, or for the conclusion we have reached.

For: **PricewaterhouseCoopers**

26 August, 2021
Chartered Accountants
Lagos, Nigeria
Engagement Partner: Edafe Erhie
FRC/2013/ICAN/00000001143



2020 Performance Table

	Unit	2016	2017	2018	2019	2020
Environmental Compliance						
Number of severe non compliance cases	#	18	0	0	0	0
Fines and penalties paid	CHF	8000	0	0	0	0
Environmental Management Systems						
Plants with an ISO 14001 certification	#	2	2	3	3	3
Biodiversity						
Quarries with rehabilitation plan in place	%	43	43	100	100	100
Quarries with high biodiversity value	#	0	0	0	0	0
Quarries with high biodiversity value with biodiversity management plans in place	#	0	0	0	0	0
Total rehabilitated area	ha	503	505	637	927	933
Water						
Specific freshwater withdrawal for Cement	(L/t of product)	873	209	233	227	201
Specific freshwater withdrawal for Readymix	(L/M ³ of product)			189	209	228
Total water withdrawal	Cubic meters	5'505'326	2,684,873	2'160'625	2624693	2094004
Total freshwater withdrawal	Cubic meters	5'124'091	1'776'827	1'504'129	1146486	1108003
Freshwater withdrawal from ground water	Cubic meters	44'116	50'551	47'920	26'765	24'300
Freshwater withdrawal from surface water	Cubic meters	581'648	918'510	1'372'432	1'117'811	1'082'115
Freshwater withdrawal from municipal waters supplies or other waste utilities	Cubic meters	2'274	1'706	1'638	1'910	1'588
Freshwater withdrawal from other water sources	Cubic meters	4'496'052	806'060	82'138	0	0
Non-freshwater withdrawal	Cubic meters	5'500	990	0	0	0
Rainwater harvested	Cubic meters	375'735	907'056	656'496	1'478'207	986'001
Total water discharge	Cubic meters	3'477'574	802'928	607'742	655947	532975
Water discharge to surface water	Cubic meters	2'296'074	702'928	607'742	655947	532975
Water discharge to Ground or soil infiltration	Cubic meters	0	0	0	0	0
Water discharge to offsite treatment	Cubic meters	0	0	0	0	0
Water discharge to others	Cubic meters	181500	0	0	0	0
Total water consumption	Cubic meters	5'802'667	1'881'945	1'552'882	1'968'746	1'561'029
Recycling and waste						
Non hazardous waste recovered	tonnes	445	252	0	15	32
Non hazardous waste disposed	tonnes	717	4510	2449	4071	4490
Hazardous waste recovered	tonnes	0	34	80	48	80
Hazardous waste disposed	tonnes	5	52	60	21	75
CO₂ Emission						
Specific CO ₂ emissions (kg/tonne of cementitious material)		608	557	542	555	583



Thermal substitution rate (Ewekoro)	%	4	9	40	26.21	17.45
Thermal energy consumption biomass-based fuels (Ewekoro)	GJ	600000	1150000	1200000	1400000	643801
Total Thermal Energy consumption total (Ewekoro)	GJ	n/a	88590	1112285	4632669	4658183
Other atmospheric emissions						
Specific dust emissions (g /tonne of cementitious materials)		58	51	90	67	507
Total dust emissions	tonnes	316	244	433	320	2'661
Specific NO _x emissions (g / tonne of cementitious materials)		683	591	634	638	742
Total NO _x emissions	tonnes	2957	2817	3039	3061	3'893
Specific SO ₂ emissions (g/tonne of cementitious materials)		103	297	1046	162	333
Total SO ₂ emissions	tonnes	445	1414	5017	776	1'750
Total VOC emissions	tonnes	12	6	11	9	10
Specific Mercury emissions (mg/tonne of cementitious materials)		4	8	3	3	3
Total Mercury emissions	tonnes	0	0	0	0	0
Specific Dioxins/ Furans emissions (ng TEQ/tonne of cementitious materials)		11	16	18	26	11
Total Dioxins/Furans emissions	g TEQ	0	0	0	0	0
Employees						
By employment contract and age interval						
Permanent employees	#	1835	1658	1592	1582	1282
Employees under the age of 30	%	5.4	3.4	4.8	14.4	4.9
Employees between 30 and 50	%	84.7	84.2	82.3	83.3	80.9
Employees above 50	%	9.9	12.4	12.9	2.3	14.2
Gender diversity						
Gender diversity – females management level	%	10.6	11.3	10.9	10.6	10.3
Gender diversity – females non-management level	%	2	1.6	1.6	2.3	2.2
Gender diversity – females total	%	8.3	9	9.1	10.1	9.1
Development						
Employees in senior management who had annual performance review	%	7.6	7.4	8	8.12	8.66
Employees in middle management who had annual performance review	%	10.8	11.4	12.6	13.64	16.46
Employees in junior management who had annual performance review	%	55.4	58.5	60	62.2	61.39
Non-managers who had annual performance review	%	26.2	21.34	19.4	16.02	13.49
Communities						
Social Investments	Naira (million)	748	661	868	900	1200



GRI Content Index Table

Our 2020 Sustainability Report is aligned with the Global Reporting Initiative (GRI) standards. The table below shows the matching the relevant GRI Standard Disclosures with the information included in our report.

Number of indicator	Name of indicator	Level	GRI G4 equivalent	Information	Page
Foundation					
Universal standards					
General disclosures					
102-1	Name of organization	GRI CORE	G4-3	Corporate portrait & management	14
102-2	Activities, brands, products and services	GRI CORE	"G4-4, G4-PR6"	Our product portfolio and services	17
102-4	Location of operations	GRI CORE	G4-6	Our operations	15
102-5	Ownership and legal form	GRI CORE	G4-7	Corporate portrait & management	14
102-6	Markets served	GRI CORE	G4-8	Our operations	15
102-7	Scale of the organization	GRI CORE	G4-9	Our operations	15
102-8	Information on employee and other workers	GRI CORE	G4-1	"Building for growth- Our contribution to the economy Employee labour relations Health and safety Employee wellness and development Diversity and equality Training and education"	"19 57 57 59 60 62"
102-9	Supply chain	GRI CORE	G4-12	"Our product portfolio and services Sustainable supply chain"	"17 68"
102-13	Membership of associations	GRI CORE	G4-16	Our partnerships to deliver shareholder value	74
Strategy					
102-14	Statement from senior decision-maker	GRI CORE	G4-1	"Chairman's Statement Chief Executive Officer's Statement"	9 10



102-15	Key impacts, risk, and opportunities		G4-2	"Our materiality matrix Stakeholder management at Lafarge Africa Plc	"29 30"
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Ethics and integrity

102-16	Values, principles, standards, and norms of behavior	GRI CORE	G4-56	Corporate portrait & management	13
102-17	Mechanisms for advice and concerns about ethics		"G4-57, G4-58"	Business ethics	52

Governance structure

102-18	Governance structure	GRI CORE	G4-34	"Our responsibility and governance Sustainability strategy and governance"	"21 26"
102-20	Executive-level responsibility for economic, environmental and social topics		G4-36	Corporate portrait & management	14
102-21	Consulting stakeholders on economic, environmental, and social topics		G4-37	Stakeholder management at Lafarge Africa Plc.	30
102-22	Composition of the highest governance body and its committees		G4-38	Reputation	51
102-23	Chair of the highest governance body		G4-39	Material priority - sustainability strategy	27
102-24	Nominating and selecting the highest governance body		G4-40	Material priority - sustainability strategy	27
102-26	Role of highest governance body in setting purpose, values and strategy		G4-42	Material priority - sustainability strategy	27
102-29	Identifying and managing economic, environmental, and social impacts		G4-45	Our materiality matrix	29
102-31	Review of economic, environmental, and social topics		G4-47	Our materiality matrix	29
102-32	Highest governance body's role in sustainability reporting		G4-48	Material priority - sustainability strategy	27

Stakeholder engagement

102-40	List of stakeholder groups	GRI CORE	G4-24	Stakeholder management at Lafarge Africa Plc.	30
102-41	Collective bargaining agreements	GRI CORE	G4-11	Employee labour relations	57



102-42	Identifying and selecting stakeholders	GRI CORE	"G4-25"	Stakeholder management at Lafarge Africa Plc.	30
102-43	Approach to stakeholders engagement	GRI CORE	"G4-26 G4-PR5"	Stakeholder management at Lafarge Africa Plc.	30
102-44	Key topics and concerns raised	GRI CORE	"G4-27, G4-PR5"	Our materiality matrix	29

Reporting practice

102-47	List of material topics	GRI CORE	G4-19	Our Materiality Matrix	29
102-54	Claims of reporting in accordance with the GRI Standards	GRI CORE	G4-32-a	GRI Content Index Table	86
102-55	GRI content index	GRI CORE	G4-32-b	GRI Content Index Table	86
102-56	External assurance	GRI CORE	G4-33	External assurance	78

Economic performance

201-1	Direct economic value generated and distributed		G4-EC1	Building for Growth – Our contribution to the 19 economy	
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Market presence

202-2	Proportion of senior management hired from the local community		G4-EC6	Diversity and equality	61
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Indirect economic impacts

203-1	Infrastructure investments and services supported		G4-EC7	"Community engagement Social investment"	"64 71"
203-2	Significant indirect economic impacts		G4-EC8	Community engagement	64

Procurement practices

204-1	Proportion of spending on local suppliers		G4-EC9	Economic value	50
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Anti-corruption

205-1	Operations assessed for risks related to corruption		G4-S03	Anti-bribery and corruption	23
205-2	Communication and training about anti-corruption policies and procedures		G4-S04	"Anti-bribery and corruption Business ethics"	52 53



Anti-competitive behavior				
206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	G4-S07	Pricing integrity and antitrust compliance	54
Environment				
Materials				
301-1	Materials used by weight or volume	G4-EN1	2020 Performance Table	84
301-2	Recycled input materials used	G4-EN2	2020 Performance Table	84
301-3	Reclaimed products and their packaging materials		2020 Performance Table	84
Energy				
302-1	Energy consumption within the organization	G4-EN3	Energy consumption & efficiency	37
302-5	Reduction in energy requirements of products and services	G4-EN7	"Energy consumption & efficiency CO2 emissions"	37 39
Water				
303-1	Water withdrawal by source	G4-EN8	"Water contamination 2020 Performance Table"	"48 84"
303-3	Water recycled and reused		"Water contamination 2020 Performance Table"	"48 84 "
Biodiversity				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	G4-EN11	"Environmental compliance Water contamination "	49 48
304-2	Significant impacts of activities, products, and services on biodiversity	G4-EN12	"Environmental compliance Water contamination "	48 47
304-3	Habitats protected or restored	G4-EN13	"Environmental compliance Water contamination "	48 47
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	G4-EN14	"Environmental compliance Water contamination "	48 47



Emissions				
305-1	Direct GHG emissions	G4-EN15	"Climate change risks CO2 emissions"	36 39
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	G4-EN21	Climate change risks	36
Waste				
306-2	Waste by type and disposal method	G4-EN23	Effluents and waste	46
306-4	Transport of hazardous waste	G4-EN25	Effluents and waste	46
306-5	Water bodies affected by water discharges and/or runoff	G4-EN26	Water Contamination	47
Environmental compliance				
307-1	Non-compliance with environmental laws and regulations	G4-EN29	Environmental compliance	49
Supplier environmental assessment				
308-1	New suppliers screened using environmental criteria	G4-EN32	"Business ethics Sustainable supply chain"	"53 68"
308-2	Negative environmental impacts in the supply chain and actions taken	G4-EN33	"Energy consumption & efficiency CO2 emissions"	"37 39"
Social				
Employment				
401-3	Parental leave	G4-LA3	Employee wellness and development	60
Labor/management relations				
402-1	Minimum notice periods regarding operational changes	G4-LA4	Employee labour relations	57
Health and safety				
403-1	Workers representation in formal joint management-worker health and safety committees	G4-LA5	Health and safety	57



403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	G4-LA6	Health and safety	57
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404-4	Health and safety topics covered in formal agreements with trade unions	G4-LA8	Health and safety	57
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Training and education

404-1	Average hours of training per year per employee	G4-LA9	Training and education	62
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404-2	Programs for upgrading employee skills and transition assistance programs	G4-LA10	Training and education	62
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404-3	Percentage of employees receiving regular performance and career development reviews	G4-LA11	Training and education	62
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Diversity and equal opportunity

405-1	Diversity of governance bodies and employees	G4-LA12	"Diversity and inclusion Diversity and equality"	"23 61"
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Security practices

410-1	Security personnel trained in human rights policies or procedures	G4-HR7	Health and safety	57
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Human rights assessment

412-2	Employee training on human rights policies or procedures	G4-HR2	Business ethics	53
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Local communities

413-1	Operations with local community engagement, impact assessments, and development programs	G4-S01	Community engagement	64
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Supplier social assesment

414-1	New suppliers that were screened using social criteria	"G4-LA14, G4-HR10, G4-S09 "	"Our responsibility and governance Anti-bribery and corruption Sustainable procurement Sustainable supply chain"	"22 23 67 68"
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Customer health and safety

416-1	Assessment of the health and safety impacts of product and service categories	G4-PR1	Quality products and services	51
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For questions, comments and feedback on this report,
please contact us:



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Head, Sustainable Development and
Brand

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